PART I.

MINUTES OF EVIDENCE

TAKEN BEFORE

THE SELECT COMMITTEE

OF

THE HOUSE OF LORDS

APPOINTED TO ENQUIRE INTO

THE PRESENT STATE OF THE AFFAIRS

OF

THE EAST-INDIA COMPANY,

AND INTO THE

TRADE BETWEEN GREAT BRITAIN, THE EAST-INDIES, AND CHINA;

AND TO REPORT TO THE HOUSE.

LONDON:
PRINTED FOR PARBURY, ALLEN, AND CO., LEADENHALL STREET; AND J. M. RICHARDSON, CORNHILL.

1830.

LONDON
PRINTED BY J. L. COX, GREAT QUEEN STREET.

LIST OF WITNESSES.

[2d to 30th MARCH, 1830.]

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Die Martis, 2° Martii 1830.

Die Jovis, 4° Martii, 1830.

Die Veneris, 5° Martii 1830.

Die Martis, 9° Martii 1830.

Die Jovis, 11° Martii 1830.

Die Veneris, 12° Martii 1830.

Die Martis, 16° Martii 1830.

Die Veneris, 19° Martii 1830.

MINUTES OF EVIDENCE.

Die Martis, 23° *Martii* 1830.

Die Jovis, 25° *Martii* 1830.

Die Veneris, 26° *Martii* 1830.

Die Martis, 30° *Martii* 1830.



MINUTES OF EVIDENCE.

Die Martis, 23° Februarii 1830.

The LORD PRESIDENT in the Chair.

THOMAS GORE LLOYD, Esq., Accountant General of the East-India Company, and JAMES COSMO MELVILL, Esq., Auditor General of the East-India Company, are called in and examined as follows:—

23 Feb. 1830.

J. C. Melvill, Esq.

1. (*To Mr. Melvill.*) Can you state the aggregate result of the financial administration of the territorial branch of revenue since the commencement of the present charter?—During the fourteen years of which the accounts have been made out, the territorial gross revenue has aggregated £284,804,085; the gross charge incurred for the same period, including charges omitted in the statements lately printed, has amounted to £304,188,859. The aggregate deficit, therefore, in that period, has been £19,384,774. Of this amount the charge incurred in India was £278,911,469; whereof the proportion of civil charges was £117,606,336; of military charges, £137,253,467; and of interest of debt, £24,051,666. The expenses of St. Helena amount to £1,362,256. The remaining sum was the charge incurred in England, and amounted to £23,915,134; which includes £1,300,000 paid in discharge of the loan from the public to the Company, of 1812, and some other items omitted in the printed statements.

2. Can you distinguish the charge incurred in England from that which has been paid in England?—The whole of this has been paid in England; but there has also been paid in England something more, which is comprised in the charges incurred in India. The total amount defrayed in England, including what is absolute charge, and what is already comprised in the Indian accounts, is on the average three millions sterling annually.

3. What is the nature of those charges already stated in the Indian accounts?—Interest upon the Indian debt. Some of the capital of that debt has been paid off in England; but that payment does not enter into the revenue and charge accounts of India, being a debt transaction.

23 Feb. 1830.

J. C. Melvill, Esq.

4. In what manner have funds been provided for that amount of deficiency which you have stated?—By money borrowed in India, and by surplus profits of the Company's trade.

5. At what rate of exchange have you converted, in this account, the money of India into sterling money?—The Bengal accounts are kept in India in sicca rupees. The sicca rupee is converted in those accounts into the current rupee; the current rupee being considered sixteen per cent. less valuable than the sicca; and then the current rupee is taken in these accounts as worth 2*s.* The value affixed to the sicca rupee by that mode of conversion is 2*s.* $3\frac{84}{100}$*d.* per sicca rupee.

6. Is that valuation beyond the intrinsic value of the coin?—Certainly.

7. In calculating the total deficiency of the revenue of India since the present charter, have you made any allowance for the benefit the territory may have derived from the rate of exchange adopted in the transactions between the territorial and commercial branches?—No, I have not.

8. Can you state to the Committee the amount of benefit which has been received by the territory from that rate of exchange?—A calculation has been made, which will shew the amount of profit to be more than seven millions sterling.

T. G. Lloyd, Esq.

9. Have you that calculation with you?—(*Mr. Lloyd.*) The benefit that the territory has derived by using those rates, as compared with the mercantile rate of exchange, in all the transactions hitherto settled, I estimate at £5,154,135; added to which, as the territory has been short charged to that amount, there is a further charge of interest of £941,880 as between the two branches. A still further profit of £1,091,163 would arise by extending the calculation to the amount that still remains unsettled; making the total benefit to the territory, by reason of using the Board's rates in contradistinction to the mercantile exchange rates, of £7,187,178.

10. By the amount unsettled, do you mean the debt due in this country from territory to commerce?—I do.

11. Are you prepared to state, at this moment, the sum which has been disbursed from the surplus profits of the Company for the payment of Indian debt?—The surplus profit actually applied to territorial purposes has been £4,923,020.

12. Then the total benefit which the finances of the territory of India have derived directly or indirectly from the commercial funds of the Company, since the commencement of the present charter, amounts to £12,110,198?—Yes.

J. C. Melvill, Esq.

13. During what period has the large deficiency of territorial revenue principally arisen?—(*Mr. Melvill.*) Two-thirds of that deficit have accrued within the last four years.

14. Can you state what circumstances have produced so great a deficiency during the last four years?—The total in-

23 Feb. 1830.

J. C. Melvill, Esq.

crease of charge which arose in the last four years, as compared with the year 1823-4, is £4,529,494 annually, whereof the part incurred in India is £3,827,158, and the part incurred in England is £702,336. Of the part incurred in India, £1,108,251 is for an increase of civil charge; £2,695,749 is for an increase of military charge; and £23,158 is for the increased interest on debt. The average increase of receipt in the same period has been £803,483 per annum, so that the net increase of charge in the last four years, as compared with 1823-4, is on an average £3,726,011 annually. The increase in the civil charges has arisen in Bengal and at Bombay, not at all at Madras, and principally in Bengal; and appears chiefly in the following heads of account;—embassies and missions, including the mission to Persia, and the payment of some arrears of subsidy; provincial battalions; the ecclesiastical establishment; in the contributions to civil and annuity funds; to schools and charitable institutions; and in the revenue and judicial establishments generally. The augmentation of military charge has been caused by the Burmese war, the operations against Bhurtpoor, and by an increase in the number of King's and Company's regiments in India. The augmentation of the charge incurred at home has been caused by an increase of the sums issued for officers' pay on furlough and retirement; by increased expense for King's troops serving in India; and by an increase in the quantity of territorial stores supplied to India.

15. Can you state what proportion of that increased charge is apparently of a permanent, and what of a temporary character?—An estimate has been prepared of the territorial revenues and charges of India for 1828-9, and that estimate indicates a deficit in 1828-9 of only £644,186. This, however, is arrived at, after crediting certain sums expected to be received in that year, which, I conceive, cannot be regarded as affording ground to expect the same amount of receipts in future years. I allude to arrears payable by the government of Ava, under treaty; and to the balance payable by the Gwalior state, which are applicable to that particular year. If we consider the average receipt of the three last actual years as that upon which to depend hereafter, then the receipt in future years will be £834,018 less than that shewn in this estimate for 1828-9; and in that case, supposing the charges in future years to remain at the same amount as the estimate shews, then the deficiency in future years would be £1,478,205, which can only be met by a reduction of charge.

16. In forming that calculation, do you use the rate of exchange fixed by the Board of Control?—Yes, I do.

17. Are you prepared to state what would be the amount of deficiency if the territory were to repay to the Company what is advanced by commerce in this country at the ordinary mercantile rate of exchange instead of the Board rate?—The pro-

23 Feb. 1830.

J. C. Melvill, Esq.

portion of the Indian revenues expended in England on the territorial account amounts, as already stated, on the average to £3,000,000 sterling annually. This sum is issued by the Company out of their commercial funds, and the amount so issued is repaid to the commercial branch in India at the rates of exchange fixed by the Board of Control. By this method the territory exchanges 2,58,62,069 rupees in India for £3,000,000 sterling in London. If the territorial branch had to provide this remittance by means of bills purchased in the Indian markets, it would require, according to the rate of exchange prevalent by the last advices from India, 3,13,04,349 rupees to produce £3,000,000 sterling in London; which, moreover, would not be paid until twelve months after the money had been issued in India; and the interest for twelve months would increase the cost to India to 3,28,69,566 rupees; which exceeds the sum now spent by 70,07,497 rupees, or, at the rates of exchange observed in the parliamentary accounts, £812,169 annually.

18. What is the rate of exchange used in these computations?—1*s*. 11*d*. the sicca rupee, that being the mercantile rate.

19. What then, at the mercantile rate of exchange, would at present be the total prospective deficiency of the territorial revenue?—It would be about £1,877,000 annually.

20. When you speak of the rate fixed by the Board of Control, and the Parliamentary rate of exchange, you mean the same thing, do you not?—The rate the Board fixed was the same as that used in the Parliamentary accounts.

21. Do you look forward to any diminution of the territorial charge defrayed in this country?—I apprehend that in one or two items there may possibly be a reduction; in the item of stores, for example; but in other items there will probably be an increase. The military pay and retirement are increasing, and seem likely still further to increase. The payments in this country, on account of allowances and annuities to civil servants, seem likely to increase. The demand in England for payment of interest on the debt is likely rather to increase than diminish; but there is an option possessed by the holders of a portion of the Company's paper of receiving their interest in England or in India, which option the home authorities have the power, at pleasure, of withdrawing.

22. Have the sums demanded as interest of Indian debt under that optional arrangement increased of late years?—They have.

T. G. Lloyd, Esq.

23. To any considerable extent?—(*Mr. Lloyd.*) They now amount to £450,000.

24. Is that a considerable increase on the former payment?—A considerable increase.

25. What proportion of the Company's paper is subject to

that option, and what proportion is not?—The total interest of the Company's paper subject to that option is £927,000, of which £450,000 has actually been demanded in England. 23 Feb. 1830.

T. G. Lloyd, Esq.

26. Can you state to the Committee what sum was demanded as interest of those optional loans in the year 1827?—So far as I can recollect, about £300,000.

27. In proportion as the sums payable in England on territorial account increase, the pressure upon the territorial finances for remittance to England must increase likewise?—Undoubtedly.

28. Can you look forward to any considerable reduction of those charges paid in England, which originate here?—I conceive not.

J. C. Melvill, Esq.

29. Can you state the nature of those charges?—(*Mr. Melvill.*) Pay to officers on furlough and retirement, and their off-reckonings; this item amounted to £388,072 in the last year. Passage of military, and supplies to them on the voyage, £72,730. Political freight and demurrage, £106,663. Political charges, included in charges general, £366,532. Pay-Office demands, being the expenses incurred in England for his Majesty's troops serving in India, £354,801. Retiring pay and pensions to his Majesty's troops, £60,000. Absentee allowance to civil servants, £36,369. Territorial stores consigned to India, £453,588.

T. G. Lloyd, Esq.

30. From what fund have the advances to territory in this country been made by the Company?—(*Mr. Lloyd.*) The sale proceeds of the Company's goods; the charges and profits on private trade; interest on the annuities due from the public; small remittances from the agent at the Cape of Good Hope; alms-houses at Poplar; the fee fund for the house and warehouses; the widows' fund; dividends on three per cent. stock; remittance from the North American colonies; sale proceeds of private-trade goods; customs and freight on those goods; and the tea duties.

31. Can you state what sum under those different heads has passed through the hands of the Company since the commencement of the present charter?—The total commercial receipts of the Company in the fifteen years has been £193,299,826, including the tea duty.

32. It has been from those large commercial funds passing through their hands that they have been enabled to make the large advances to the territory in those several years since the charter?—Exactly so.

33. To what have those advances amounted in any one year?—In the year 1823-4 we paid £5,291,586.

34. What is the sum now due by territory to commerce in consequence of those advances, exclusive of interest?—£3,184,000.

23 Feb. 1830

T. G. Lloyd, Esq.

35. Will you state the several modes in which the territory has remitted funds from India in repayment of those advances?—Remittances have been made sometimes in bullion, sometimes by bills of exchange upon the departments of his Majesty's Government, but principally by means of consignments of merchandize either through China or direct from India.

36. Can you state the sums remitted under those several heads?—We have received in net produce of bullion, £3,566,927; we have received for bills for supplies to the public service in India, £2,169,277; we have received for the produce of spices sold for Government, £609,692. The advances on account of the Indian investments for Europe have been £20,069,928, which is without taking in the year 1827-8, of which the books are not yet in this country. The advances to China, in repayment of territorial charges defrayed, is £4,268,122.

37. Can you state what portion of the remittance from India has been made by means of merchants' bills?—We have not made use of that mode of remittance at all.

38. Have any attempts been made by the Company to obtain remittances by merchants' bills?—The Company have issued advertisements inviting tenders for bills on the several presidencies in India and on their factory at Canton; the whole amount tendered did not exceed £50,000, at the average rate, per sicca rupee, of 1*s.* $8\frac{285}{1000}$*d.*

39. Are you enabled to state at what average rate the sicca rupee has been remitted by the Company from India in goods since the commencement of the charter?—The average out-turn per rupee remitted in goods, deducting interest, has been 2*s.* $2\frac{62}{100}$*d.*

40. Can you state what would have been the average out-turn of the rupee during this period, if remitted in bills at the mercantile rate of exchange?—By bills drawn from Calcutta, deducting the twelve months' interest included in the rate, it is 2*s.* $1\frac{62}{100}$*d.*

41. The difference, therefore, in favour of the remittance in goods, appears to be 1*d.* the rupee?—Exactly.

42. Can you state what advantage the Company has derived since the commencement of the charter, from remitting in goods rather than in merchants' bills?—£800,660.

43. Can you distinguish the portion of the remittance from India through China which has been remitted in bills upon India, from the portion obtained by proceeds of goods sent to Canton?—The amount remitted to Canton by bills on India has been £5,099,767; the proceeds of goods from India to China has been £4,538,743.

44. Can you state the average out-turn of the rupee remitted from India through China?—The rate of remittance per sicca

rupee, through China, without interest included in that rate, has been 3*s*. 7 $\frac{57}{100}$*d*. 23 Feb. 1830.

T. G Lloyd, Esq.

45. Will you state the out-turn of the rupee remitted from India through China, in the last year of which you have the account?—3*s*. 4 $\frac{48}{100}$*d*.

46. Will you state the out-turn of the rupee remitted direct from India, according to the last account?—It is 1*s*. 9 $\frac{70}{100}$*d*.; that is, in merchandize.

47. For that rupee producing 1*s*. 9 $\frac{70}{100}$*d*. in merchandize, the Company have reimbursed 2*s*. 3*d*., have they not?—Nearly 2*s*. 4*d*.; 2*s*. 3 $\frac{84}{100}$*d*.

48. Are you enabled to state the total amount of the commercial capital of the East-India Company appropriated to territorial purposes under the Act of the 53d George III.?—The total commercial capital of the Company abroad and at home, on the 1st of May 1828 (England), and the 1st of May 1827 (India), was £21,731,869.

49. That is exclusive of any claim they may bring forward to any property in the territory previous to the year 1814?—Yes, exactly.

50. What is the sum received by the proprietors of East-India stock in annual dividends?—£630,000 a year.

51. What interest does that sum give on the total amount of their commercial capital, as you have stated it?—Less than three per cent.

52. What is the present valuation by the Company of their several claims on the territory?—The total amount is estimated to be £12,044,934, exclusive of territory acquired by grant, cession, or purchase, previously to the grant of the Dewannie.

53. Will you state the items?—Up to the year 1780 it was computed, in a petition presented to Parliament by the Company, that the charge incurred by the Company in the wars, which led to the acquisition of the territory, in excess of the sums afterwards derived by them from the revenues, amounted, exclusive of any charge for interest, to £3,616,000. An estimate has been recently made of the balance of supplies between India and England, from the year 1780 to the year 1793; from which it appears, that India returned to England short of the funds sent thither and the amount of payments made at home on the territorial account, this result being also exclusive of the charge for interest, £6,829,557. An estimate, upon a similar principle, continued from the year 1793 to the 1st of May 1814, and principally drawn from statements exhibited to the Committees of both Houses of Parliament in 1813, shews a further short return from India, being, as in the two previous instances, exclusive of interest, of £1,599,377.

54. Has any application been made by the Company to Par-

23 Feb. 1830

T. G. Lloyd, Esq.

liament for pecuniary assistance since the commencement of the present charter?—Not any.

55. The whole disbursements made here and in India on territorial accounts have been made from the territorial and commercial funds the Company possess?—All the advances have been made from their own funds.

J. C. Melvill, Esq.

56. Will you state the capital of the Indian debt; has it increased since 1814?—(*Mr. Melvill.*) It has. The principal of the debt amounted on the 1st of May 1814 to £27,002,439; and on the 1st of May 1827 to £34,796,836.

57. What was the annual amount for interest on the debt at the former and at the latter period?—On the 1st of May 1814, £1,502,217; and on the 1st of May 1827, £1,749,068.

58. What is the present charge of the interest of that debt, so far as you can estimate it?—It was £1,912,725 on the 1st of May 1828; the increase being caused by the augmentation of the debt in the last year.

59. What has been the variation in the rate of interest during that period?—The average rate of interest was six per cent. in 1814, and five per cent. in 1828.

60. What was the amount of interest payable in India on the Indian debt previous to the commencement of the Burmese war?—In 1822-3 it was £1,694,731, and in 1824-5 it was £1,460,433.

61. When you estimate the present amount of interest on the Indian debt, to what period do you estimate it?—To the 30th April 1828.

62. What do you apprehend to be the present interest payable on that debt?—About £2,100,000.

63. At what period did the reduction of interest from six to five per cent. take place?—In 1822-3.

64. Will you state the surplus of revenue, both in India and in England, in the last year of Lord Hastings' administration?—The surplus in 1822-3 was £1,363,179, omitting the extraordinary payment in that year of £1,300,000, in discharge of the loan from the public.

65. What was the surplus in the previous year?—£520,218.

66. Between that period and the present the total revenue of India has increased, has it not?—In the year 1826-7 there was an increase; and the estimate for 1827-8 indicates a further increase.

67. To what extent?—The revenue in 1826-7 was £23,327,753; whereas in 1821-2 it was £21,753,271; and in 1822-3, £23,120,934.

68. Has that increase of revenue you have stated proceeded chiefly from the imposition of new duties, or from the increased produce of duties previously existing?—Chiefly from duties

previously existing. There has been an extension of the stamp duties to Calcutta, which has caused it in part; but it is chiefly from increases from old sources of revenue. 23 Feb. 1830. *J. C. Melvill, Esq.*

69. Is there not an apparent rather than a real increase in the receipts from the salt and opium, in consequence of the greater extent of advances made now?—I think not in the years since 1823-4; but in the whole of the period since the charter, a large increase, in consequence of the Malwah opium arrangements, which is in a great measure nominal.

70. Can you account for the charges on the subsidies collected from the native princes being so high as thirty per cent. on the net receipts?—I apprehend that the charges include the payments we are bound by treaty to make to those native princes. The Company collects the whole of the revenue in gross, and accounts to the native prince for his portion of it fixed by treaty.

71. Can an account be prepared in this country, giving the particulars of those charges?—It can.

72. What was the rate of commercial exchange at the time of the renewal of the charter?—(*Mr. Lloyd.*) The rate of commercial exchange in the year 1814-15 was, for bills drawn from Calcutta on London, 2*s.* $6\frac{8}{10}$*d.* *T. G. Lloyd, Esq.*

73 In the estimate of the advantage gained by the territorial account as compared with the commercial, have you from year to year compared the actual mercantile exchange with the exchange settled by the Board of Control, or is the comparison made on the aggregate of the whole transaction during the whole term of the charter?—From year to year.

74. Can you state what is the greatest difference that has at any time occurred between the commercial and the Parliamentary rate of exchange?—In the year 1824-5 the difference was $5\frac{9}{10}$*d.*

75. Have you any account which would shew the out-turn of the rupee remitted from India in the several years since the charter, in bullion, by the merchants, by the Company, and in bills of exchange at the mercantile rate?—We have such an account; I can furnish that account; I have it not with me.

76. You mentioned that the excess of expenditure above the revenue, which has arisen chiefly during the last three or four years, was occasioned by some charges which would only be of a temporary nature; could a return be made from the India-house, distinguishing those which would be of a permanent nature from those which are but temporary?—(*Mr. Melvill.*) Not further than is indicated by the estimate; the particulars of which have been explained to the Committee. *J. C. Melvill, Esq.*

77. You mentioned, likewise, that it was an advantage to make returns from the east rather in merchandize than in bills; *T. G. Lloyd, Esq.*

23 Feb. 1830. — T. G. Lloyd, Esq.

is that advantage equally applicable to the China as to the Indian trade?—(*Mr. Lloyd.*) Clearly so, in a greater ratio.

The witnesses are directed to withdraw.

Ordered, that this Committee be adjourned to Thursday next, twelve o'clock.

Die Jovis, 25° Februarii 1830.

The Lord President in the Chair.

HENRY WOOD, Esq. is called in, and examined as follows:—

25 Feb. 1830. — H. Wood, Esq.

78. What situation did you hold in Bengal?—When I came away I was Accountant-General, President of the Bengal Bank, a member of the Mint Committee, a member of the Board for the Superintendence of the Improvement of the Cattle throughout India, and a Member of the Committee for the Improvement of the Town of Calcutta, and Government Agent for the Management of the Public Property.

79. During what period did you hold the situation of Accountant-General?—From December 1822.

80. From the date of Mr. Sherer's departure?—Yes.

81. Down to what period?—To January 1829.

82. You are aware that a very large increase of civil charge took place in Bengal during that period?—I beg to refer to the report on the table.

83. There was a very large increase of civil charge?—There was an increase. Every detail is given in my report.

84. Do you refer to the printed paper?—I refer to my last report. I can from that give the detail of amount.

85. Will you state the increase of civil charge from the time you took possession of that office down to the time at which you left it?—I can state the total under each head. In the general department for 1823 and 1824, the amount was 1,21,57,000 rupees (this is only for Bengal); in 1826 and 1827, 1,73,71,000 rupees.

86. Under what particular heads had that increase taken place?—The durbar was 5,40,000 rupees in 1823-4; and in 1826-7, 10,42,000 rupees.

87. State the reasons for that increase?—The detail is very voluminous, and is stated in this report of 1825-6, when compared with 1826-7.

88. What is that you have in your hand?—My annual report,

shewing the dates of increase in 1826-7, as compared with 1825-6, and with the years 1826-7 and 1813-14. 25 Feb. 1830. H. Wood, Esq.

89. Where would the reasons for the increase be found?—The dates refer to the different minutes of council in which the increases were authorized.

The witness is directed to withdraw.

The accounts referred to by the witness are examined by their Lordships.

Ordered, that this Committee be adjourned till to-morrow, two o'clock.

Die Veneris, 26° Februarii 1830.

The LORD PRESIDENT in the Chair.

JOHN WALTER SHERER, Esq. is called in, and examined as follows:— 26 Feb. 1830 J. W. Sherer, Esq

90. What was your situation?—I was the Accountant-General in Bengal.

91. For what period did you hold that situation?—From January 1816 to December 1822.

92. What were your peculiar duties in the situation of Accountant-General?—To advise the Government on all financial concerns; to keep them acquainted with the receipt and disbursements of the country; to provide funds for the service in every quarter; and to superintend the accounts of all the departments.

93. If any new charge was proposed in any department, was it your duty to report on that proposed charge before it was sanctioned by the Government?—No. If it was in the Board of Revenue, it would be discussed in the Board of Revenue and be settled by the Government there; and so of other departments.

94. Is there in Bengal any officer who intervenes between the Board proposing an increase of charge and the Government who have to sanction it?—No; but Government refers all general financial questions to the Accountant-General, for his report.

95. When any increase of charge of any description is proposed, is it referred to the Accountant-General for his opinion?—No, it is not.

96. Is there any other officer to whom any proposition of increase would be referred?—No; no financial officer that I am

26 Feb. 1830.

J. W. Sherer, Esq.

aware of. The Auditor would report the circumstance, and bring it again under the notice of the Government when it was charged, and state the authority and the grounds of the charge, and get it again sanctioned in the course of the process of auditing and passing.

97. Would it be his duty to give his opinion as to the propriety of sanctioning the increased charge?—No. If it has the authority of the Government, it is passed under that authority; if it has not the authority of Government, he calls the notice of Government to it, and remarks upon it according to his information.

98. But neither the Accountant-General nor the Auditor could form any check whatever on the increase of charge?—No; the grounds of it originated in some other department.

99. Nor is there any check on any increase of charge, other than that of the Government itself?—No; except that the Accountant-General and the Auditor would, in their respective departments, bring to the notice of Government any extravagance which they might notice. That they consider themselves authorized to do, but it is not a specific part of their office.

100. Did any considerable increase of charge take place during the time you held the situation of Accountant-General; of civil charge especially?—No very considerable charge; there was an increase in the charge of interest, a military increase. There was a new board instituted in Bahar, and two or three new collectorships, and a few embassies to foreign courts, and charges of that kind, but nothing further.

101. Was the permanent civil charge, independent of those fluctuating charges to which you have referred, considerably greater when you left the situation of Accountant-General in 1822 than it was in the year 1816, in the old provinces which were in our possession in 1816?—No, I am not aware of any considerable increase.

102. Did the expense of collecting the revenue increase during that period?—I think there were considerable surveys carried on during that period, and deputation services, which of course increased the revenue charge somewhat.

103. That would increase the extraordinary, but not the permanent charge?—No; I am not aware of any increase of the permanent charge, in the rate of charge.

104. Did it appear to you that, at that period, the establishment for the purpose of collecting the revenue was deficient?—I considered it adequate. In fact, the estimate, as formed for the year 1823, before I quitted India, involved a decrease of charge, both at Madras and in Bengal; and the estimate was realized, as appeared by accounts dated thirteen months after I left Bengal.

105. Was there any increase of charge in the judicial de-

partment?—I am not aware at present; there may have been, but nothing of magnitude, to my recollection. 26 Feb. 1830.

J. W. Sherer, Esq.

106. Did it appear to you that the judicial establishment was adequate to all the purposes that were required?—I heard no complaints to the contrary. I have not a personal knowledge of that.

107. At the period at which you quitted your employment, did it appear to you that there were some charges capable of diminution?—I think a revision of the establishment was anticipated at that period, with a view to any possible reduction; but I do not think there was much prospect at that time of reduction.

108. Was there a deficiency of the revenue in the first years of your charge; was there an excess of expenditure, taking India and England together?—Yes, there was; the Indian surplus was very low in the first year, compared to the year I quitted.

109. In the year in which you quitted your situation, namely, 1822, was there a surplus, with a view to both the Indian and the charges in this country?—A very considerable surplus; after providing for the home charge there was a surplus applicable to the reduction of debt at that period.

110. At the period at which you quitted your situation, did you see any reason for increased charges in any of the civil departments which came under your view?—It was in prospect to revise the establishments, with a view to reduction, at that period. Though much reduction was not anticipated, still it marked that the Government regarded the establishments as adequate at that time, since they were going to revise them, with a view to reduction.

111. Did you see any department in which it appeared to you reduction could take place without detriment to the public service?—No; I should have considered it my duty to bring it to the notice of the Government directly, if I had seen that to be practicable.

112. Was not that the object of the revision then in contemplation?—Yes; it was in contemplation to form committees to inquire whether reduction was practicable.

The witness is directed to withdraw.

SAMUEL SWINTON, Esq. is called in, and examined as follows:

S. Swinton, Esq.

113. What is your occupation?—I was in India for thirty-three years.

114. In what capacity?—As a civil servant.

115. In what situation were you?—I was a Commercial

26 Feb. 1830.

S. Swinton, Esq.

Resident at several stations; latterly I was in Malwa as Opium Agent.

116. The agent employed by the Government?—Yes.

117. You at one time held the situation of chief of the Board of Salt, Opium, and Customs, did you not?—I did.

118. Can you explain to the Committee the nature of the monopoly of opium in the provinces of Bahar and Benares?—I could not explain them; they were fully reported in the reports at the India-House; it requires a great deal of detail to do so; they are fully explained in the records at the India-House.

119. The Committee wish to know in what manner the cultivation of opium is regulated; how the Company acquire the opium, and in what manner they make their profit upon it?—The advances are made to the Ryots, and those Ryots deliver the opium in a pure state to different Gomasters, who forward it from time to time to the principal station at Patna, where it remains some time stored, and is afterwards made up into cakes, and is then sent down to Calcutta.

120. Are other persons than the officers of Government permitted to purchase opium?—None.

121. Is there a fixed price for opium?—Yes; three rupees a seer.

122. When was that price fixed?—I cannot recollect. It was formerly only two and a half. It was raised to three rupees, I think, in the year 1819 or 1820; but I cannot state the exact period.

123. Do you know why the price was raised?—It was raised because the Ryots were not satisfied with the price they then received, and to encourage cultivation.

124. Are you aware whether the quantity sent has increased much of late years?—It has certainly increased.

125. Can you state to what extent?—No, I cannot.

126. What price do the Government obtain for the opium for which they pay three rupees a seer?—That is according to the demand. It is sold at public sale, and sometimes it sells higher and sometimes lower, according to the state of the market, or the demand in China.

127. Has the demand in China increased much of late years?—Considerably.

128. Can you state to what extent?—I cannot, from memory.

129. Do you know what circumstances have led to that extension of demand in China?—I cannot state that; it never came before me officially.

26 Feb. 1830.

S. Swinton, Esq.

130. Has the opium of Bahar and Benares maintained its reputation of late years?—Certainly not.

131. To what circumstances do you attribute that?—To its not being brought in a pure state to the market, I believe.

132. Is that the fault of the Ryot, or the Government agent? —It probably arises from some fraud, but where that fraud is I cannot tell; it must arise from fraud.

133. Was any person sent down into the country to ascertain with whom that fraud originated?—Not to ascertain with whom that fraud originated; but I believe persons were sent to endeavour to have it brought as pure as possible to the market, and to reject it if it was in an impure state.

134. Did the depreciation of the opium take place before it came into the hands of the Government agents, or subsequently?—I should rather imagine previously to its coming to the Government agents' hands.

135. Is there not a manufacture of opium after it comes into the hands of the Government?—None, but its being made up into cakes.

136. Is any art required in making it up into cakes?—It requires that the person should be conversant with it.

137. Does the opium depend at all on the degree of perfection with which that operation is performed?—No; I believe it is solely with regard to the pureness of the opium.

138. Do you know the relative price in the market of the Bahar and Malwa opium?—I cannot say; the Malwa opium generally sells in China two or three hundred-dollars a chest higher than the other.

139. What is the price of a Bahar chest of opium?—That depends entirely upon the market; it sells from 2,000 to 4,000 rupees.

140. You state that the Malwa opium sells for two or three hundred dollars more than the Bahar; what was the price of Bahar opium?—I cannot state that from memory.

141. Have not the advances to the Ryots increased very much of late?—I am not aware that they have.

142. What proportion of the whole price of the opium is advanced previously to its delivery into the hands of the Government agent?—I believe generally the whole of the three rupees is advanced previous to its delivery to the Government agent; but I refer you to the Regulations.

143. For what purposes were you sent as Opium Agent into Malwa?—Previous to my being sent there, the agent who was employed by the Bombay Government had purchased the opium at uncommon high rates; it was supposed that by a different kind of management the opium might be purchased

26 Feb. 1830.

S. Swinton, Esq.

at low rates, and generally rendered more advantageous to the Government.

144. What measure did you adopt on being deputed into Malwa?—It is so long a period, and as I have not the paper by me to refer to, perhaps it will be better that I should refer your Lordships to the reports which are in the India-House; they are very full.

145. In consequence of any recommendation on your part, were any treaties entered into with any of the princes of Malwa?—Yes, there were.

146. State the nature of those treaties?—The object of those treaties was to make the native states participate in the advantages which were derived from the opium monopoly; but I cannot speak further, and state all the circumstances of those treaties, but generally they gave them some advantages.

147. Did they contain any stipulation on the part of the native prince for diminishing the cultivation of opium in his dominions?—They did; on every thousand surat maunds of forty pounds less produce they were to receive a sum of twenty thousand rupees as a bonus.

148. What further advantage was the prince to receive?—If my memory serves me right, he was also to receive the profits on five chests in every one hundred maunds.

149. Did he further stipulate to furnish any quantity of opium at a certain price to the Company?—He did.

150. Was that price much below the price at which it had been obtained by the Bombay agents?—Considerably.

151. Can you state the difference?—The Bombay agent had paid from sixty-five to one hundred and odd rupees for a punsury, which is five seers; a punsury contains ten pounds English weight.

152. What did you pay under the treaty?—Thirty rupees.

153. What was the value of the Halee rupee current in Malwa?—From seven to eight per cent. inferior to the sicca rupee at the Mint.

154. Is the seer of Malwa the same as the seer of Bengal?—The seer at which I bought opium was the same with that at Patna; I believe the seer current in the bazaar is different.

155. Paying, therefore, three rupees a seer for opium in Bahar, and under the treaty thirty rupees for five seers at Malwa, you paid twice as much in Malwa as you did in Bahar?—Exactly.

156. Can you state the selling price at Bombay of the punsury of five seers in Malwa, for which you have paid thirty rupees?—I cannot from memory.

157. Can you at all state, whether the price of the Malwa opium, when sold by the Company, bore the same relation to

the price of Bahar opium, when sold by them, that the original prices paid by them for the Malwa opium bore to the price paid by them for the Bahar opium?—No, I cannot state the prices; I have no recollection of them. I had nothing to do with the sale of opium; it never came before me officially.

26 Feb. 1830.

S. Swinton, Esq.

158. Do you know whether that provision of the treaties of which you have spoken, by which the cultivation of the poppy was to be diminished in the territories of those princes, was carried into effect?—While I was in Malwa—it was by slow degrees—I think it was real—I am led to say so from my own personal observation—it was reduced in some places.

159. Are you aware whether, previous to the formation of those treaties, any great extension of the cultivation of opium had taken place in Malwa?—I believe it had.

160. Can you state to what extent?—I cannot.

161. Had the prices been such as to encourage cultivation to a great extent?—Certainly.

162. You are aware that since you have left Malwa there has been represented to the Government to be so much discontent on the part of the Ryots in Malwa, and so much disinclination on the part of the prince to the continuance of those treaties, that it has been recently determined by the Government to give them up?—I have heard that.

163. Are you aware that it was represented, that in point of fact the cultivation was not very much diminished; that the dissatisfaction of the people was very great; that a contraband trade was carried on to a very great extent through those countries with which we have not formed treaties; and that opium was carried in such quantities through the territories, particularly the Oudepoor, to the Indus, and thence to the ports of Diu and Demaun, as practically to interfere to a very great extent with the beneficial consequences which were expected from those treaties?—I have heard that; but I cannot say any thing further. I can only reply to what occurred when I was in Malwa.

164. Will you state with what native princes the treaties have been concluded?—Holkar was one; Boondee; Kotah; Oudepoor; and all the petty chieftains in Malwa.

165. There was, however, no treaty with Scindia?—None.

166. And without having a treaty with Scindia, from the particular position of his territories, it was found to be impossible to confine the opium to Malwa, to prevent the exportation?—It was difficult, but not impossible.

167. Those treaties being now abandoned, no restriction being any longer placed on the extent to which the poppy may be cultivated in those districts, and the transport of opium being perfectly free through all the dominions not positively subject to the British power, what effect do you apprehend that

26 Feb. 1830.

S. Swinton, Esq.

will have upon the benefit to the government of India from their monopoly of opium in Bengal?—I apprehend it will almost entirely endanger it; that the monopoly can barely exist under it.

168. You think that the quality of the Malwa opium, and the price at which it can be furnished to the Canton market, is such as to make it almost impossible for the other governments of India to realize any considerable profit upon their opium from Bahar and Benares?—They will still derive a considerable profit, but not any thing equal to what they did upon the monopoly.

169. Are you aware whether the quality of Malwa opium had improved very much previous to the formation of the treaties? —I was deputed in consequence of the Malwa opium being very much inferior and very much adulterated. One of the objects of my mission was to endeavour to have it brought in a purer state to the market. I succeeded: and to that I attribute the Malwa opium being now considered so much superior to the Patna.

170. Before your deputation into that country, did the price of Malwa opium bear a different proportion to the Bahar opium to that it has done since?—Yes.

171. Was it superior or inferior?—Inferior.

172. What is the size of the chest?—There are two maunds in a chest; there are forty seers in a maund.

173. The treaties being given up with those native princes, do you think it will be possible for the British Government to throw any material impediment in the way of the transport of the Malwa opium to the coast?—Impediment they may throw; but no restrictions will be so effectual as those which the treaties gave us.

174. Will the impediments which they can still throw in the way of the carriage of Malwa opium to the coast be such as to give them, as purchasers in the Malwa market, a material advantage over their competitors?—Certainly some advantage.

175. By what route will it now be possible to carry Malwa opium to the sea, avoiding the territories of the Company and their tributary states?—Speaking from memory, I feel it difficult to give an answer; but I fancy through the Oudepoor states.

176. Must it go to the Indus?—I do not think that is necessary, but that is the principal route.

177. Where could they touch the sea?—I do not at this moment recollect.

178. Will you refer to the map, and see whether there are any countries, not under the government or influence of this country, through which the opium might be carried to the sea?

—[The witness refers to the map.]—I think, looking to the map, that it might get to the Gulf of Cambaya.

179. Can you state at what profit a Ryot can grow opium a seer?—I cannot from memory.

180. Is it an object much sought for by the Ryots, the advances on opium?—I had rather speak with regard to Malwa: there the Ryots derive very little profit from it. As to Bahar, it is so many years since I was in that part of the country that I do not wish to state from memory.

181. Is any opium grown by the East-India Company?—None.

182. Is any body at liberty to grow it that pleases?—Certainly not.

183. Under what regulations is any one at liberty to grow the poppy?—There is a regulation of Government upon the subject, to which I would wish to refer your Lordships, not bearing it distinctly in mind.

184. Is it by license?—Under that regulation it is.

185. Do you believe there is any illegal sale of opium going on in Bahar or Benares?—There may be a little smuggling; to a trifling degree.

186. What are the penalties attached to such illegal sale?—The seizure of the article, and a fine, I believe; but I would rather refer your Lordships to the regulations: I do not bear them in mind.

187. Do you conceive it to be impossible for the Ryots to cultivate the poppy, unless the Company begin by making them an advance equivalent to the price they afterwards give?—I must decline answering these questions on oath. Every thing is stated in the regulations so fully, I would rather refer to them.

188. Would it be, in your opinion, impossible for a Ryot to cultivate the poppy, without borrowing the money, in the first instance, from the Company?—I apprehend they are too poor to do that.

189. It is a cultivation which requires a considerable expense both in manure and in irrigation, does it not?—Yes; a great deal of care in the cultivation, and it can be only in the finest soils.

190. Is there any restriction existing which would prevent a person possessing a little capital carrying on the cultivation of the poppy, and confining it to the Ryots?—It can only be cultivated by the Ryots; no Zemindar would ever think of doing it.

191. Do you mean that he has no power of doing it by the regulations of the Company?—He is by no means restricted, provided he chooses to enter into an engagement to deliver the produce to the Company at the stipulated price.

26 Feb. 1830.

S. Swinton, Esq.

192. So that the practical result is, that no person of capital engages in the cultivation of that article?—Certainly none, that I know of.

193. Can you state the general proportion between the advance and the produce?—I cannot.

194. Are losses frequently incurred by the failure of the crop, and the advance being less than the crop will produce? —I cannot state the extent, but they must be incurred in that as they are in other things.

195. Does that stand over as a debt to a future season, or in what manner is the loss made up?—Sometimes it does, and sometimes it does not; there is a degree of discretionary power left with the agent.

196. Do you know into what conditions a person enters who undertakes the cultivation of opium in the provinces of the Company?—He stipulates to deliver the produce at a certain price.

197. Any person may cultivate it who does that?—Yes.

198. By whom is that price fixed?—It has been long established.

199. Is it fixed by the Company?—Originally by the agent.

200. Does it undergo an examination of quality as well as of quantity?—Certainly.

201. In what manner do you calculate the advances to be made to the Ryot?—It is generally ascertained what is the quantity of land he has that is equal to the produce of a certain quantity of poppy, and it is tolerably well ascertained what an acre will yield; and according to what he engages to deliver, he receives his advances in proportion.

202. It is on an estimate of former years?—Yes.

203. With respect to the cultivation of opium in the provinces of Malwa under the independent princes, and before the treaties, was the cultivation carried on under the control of the prince in the same manner as in our own provinces under the control of the Company, or was it free to the cultivator?—Under the princes it was free to the cultivator, but the cultivator was generally under restrictions of the Zemindars.

204. Were those restrictions to deliver the produce at a certain fixed price?—I cannot tell exactly what their private agreements were, but I know that restrictions did exist.

205. Are you acquainted with the circumstances under which opium is grown in the Portuguese settlements?—I am not.

206. Are you aware whether opium grown in the Portuguese settlements, sells in China and elsewhere at the same rate as the opium sold by the Company?—I am not.

26 Feb 1830.

S. Swinton, Esq.

207. Can you state whether the form of the balls in which opium is made up, and the size of the packages in which it is afterwards packed, has been lately altered, with a view to forward its illicit introduction into China? – In Malwa the cakes have always been the same; they are different from those made at Patna.

208. Has there been any alteration that you are aware of lately made in the way of packing?—Not in Bengal, that I am aware of. I left the Board in 1823, and have been in Malwa since that time.

209. The large price given by the Bombay agent foi Malwa opium was given before the formation of any treaty?—Yes.

210. Can you tell what the total price to the Company was of the Malwa opium under the treaties, when they gave thirty rupees for a punsury, and besides that a certain premium to the chief, and a certain portion of the profit upon part of what they sold?—I cannot, upon my oath, say exactly what it was, though I could, in a rough kind of way, probably state it.

211. Will you state your general idea what it amounted to? —By the chest, I believe it amounted to about 720 rupees a chest, including all those charges, and the allowance made to the chief; but I beg to state that I merely state from the recollection of the moment.

212. How many seers does a chest contain?—It ought to contain 80 seers or 160 lbs. A chest contained only 140 lbs. of opium, for the seers with which the chest sare packed are what are called the factory weight. There are such a number of different kinds of maunds; the bazar maund, 80 lbs.; the factory maund, 72 lbs 11 oz. It is brought as near as possible to the pecul chest, containing 133 lbs.; but there is a considerable allowance for dryage of opium.

213. Are you acquainted with the relative properties and qualities of the Turkish and East-India opium?—I am not.

214. You cannot state whether it is probable that a greater importation of Turkish opium into Canton would interfere with the sale of the British opium?—I cannot; I can speak only from hearsay. It is of an inferior quality, I understand.

215. Are you at all acquainted with the circumstances of the American trade in opium?—No.

216. Is it an easy thing to measure the quantity of opium, in matter of adulteration of strength?—A person who is accustomed to it can do it.

217. Complaints have been made that some of the opium grown by the Ryots was adulterated?—That can be ascertained.

218. What happens when it appears to the commercial agent that it has been adulterated; does he require a larger quantity,

26 Feb. 1830.

S. Swinton, Esq.

or refuse the article.—If it is adulterated, he rejects it altogether.

219. What happens as to the advance which has been made for it?—The advance then becomes a debt of his to the person who made the advance.

220. How is the opium sold by the Company; by sample, or otherwise?—Any number of chests are opened, and the buyers have an opportunity, previous to the sale, of looking at it.

221. Is there not a guarantee on the part of the Company, that the opium is of a certain quality?—Certainly. The guarantee is made by the agent. The agent sends down, with every despatch of opium, a guarantee of the quality.

222. Is there any other part of the East besides China to which there is a considerable export of opium from the East-India Company's possessions?—That is a question I cannot answer, as the subject never came before me officially.

223. Did you ever hear that there was any considerable export to the Malay Islands?—I must beg to decline returning a hearsay answer; there are a great many things I may have heard that I cannot vouch for.

224. You do not know that there has been any large export of opium to the Malay Islands?—Officially, I do not.

225. Do you know how long the zemindars have possessed the liberty with respect to the cultivation of opium which you say they now have?—I do not.

226. Are you aware that formerly there was an extremely severe restrictive system pursued with respect to the cultivation of opium?—The same that exists now, I believe; I am not aware of any alteration.

227. Has there not been a considerable change within the last twenty years?—Not that I am aware of.

228. Was it not formerly the case, that the native proprietors of land were absolutely prohibited from cultivating opium?—Where there was an opium agent, not. I believe that in certain districts where the opium grows, those districts where inferior opium grew were abandoned.

229. Was not that formerly the case in Bengal, where the opium was formerly almost exclusively grown?—The provinces of Bahar and Benares are the only two districts where opium is grown under the Bengal presidency.

230. Formerly, were not the proprietors of land absolutely prohibited from growing it for themselves?—In other districts beyond those of Bahar and Benares, in the heart of Bengal, it is not allowed.

231. Are the collectors of land-tax encouraged by the Government to collect opium by any recent regulation?—They are.

26 Feb. 1830.

S. Swinton, Esq.

232. Can you state what per-centage they are allowed to derive?—I forget that.

233. Do the same regulations apply to Bahar and to Malwa? —No; they are entirely different.

234. Does any opium grow in any district of the Company's in Malwa?—I am not aware of any.

The witness is informed that it is wished he should give the best information in his power, without regard to the question whether it came within his knowledge officially.

235. Are you practically acquainted with the salt monopoly in Bengal?—I was, but so many years have elapsed since I left the Board, that probably my memory will not serve me with regard to the circumstances connected with it.

236. Can you state in what manner that monopoly was conducted at the time you were acquainted with it?—So many years have elapsed, I cannot charge my memory with that.

237. By whom was the salt manufactured?—By an agent on the part of the Government.

238. Was no other person permitted to manufacture salt?—No; the Molungees are the persons who manufacture the salt, under the direction of the agent.

239. Can you tell the cost of the salt to the Government?—I cannot now; it has varied a little since I left the Board.

240. Can you tell what profit was made by the Government on the salt?—I can state what the amount of the profit was on the sales in Calcutta for some years; I have a memorandum of that: here I see that in the year 1819 it was 1,11,42,639 rupees.

241. Is that the gross receipt, or the net profit?—That is the net profit. In the year 1827-8 it was 1,82,78,185 rupees. Since the formation of the Board over which I presided there was a regular improvement in the produce.

242. In what manner was that improvement effected?—By a more active superintendence on the part of the officers of the Board.

243. Do you mean in the prevention of smuggling?—Partly.

244. Can you state the price at which the salt manufactured by Government was retailed to the people?—It was sold to them in the market at monthly sales to the highest bidder.

245. Their profit depended upon keeping the supply within the demand?—Exactly so.

246. Has the supply increased of late years?—Certainly.

247. To what extent?—I cannot state the extent.

248. Are you enabled to state the price of any particular quantity of salt when retailed to the people?—From three to

26 Feb. 1830. four rupees, that is, from six to eight shillings a maund, was about the price; the maund being eighty English pounds.

S. Swinton, Esq.

249. What do you apprehend had been the cost of manufacture of a maund of salt?—It varies according to the place.

250. Do you apprehend it would be possible to increase the salt revenue by increasing the quantity supplied to the people?—Certainly not.

251. You think the largest possible revenue is effected by the present limitation of supply?—I apprehend it is; the attention of the Board is always directed to the ascertaining the quantity required.

252. Nevertheless, the amount has increased?—Yes; as the population increases, their sales increase in the same proportion.

253. Are you acquainted with the salt monopoly at Madras?—I am not.

254. When you mention the profit on salt, what rupee do you refer to?—The sicca rupee.

255. Is the salt manufactured from salt springs, or ponds into which the water is admitted?—I do not know the mode in which it is manufactured.

256. Do the Company carry on the manufacture of salt at all?—It is carried on by the Molungees, who manufacture under the agent.

257. No other person is permitted to make salt?—None but the Molungees.

258. The Company have not only a monopoly of sale, but a monopoly of the manufacture also?—Yes, by auction.

259. Has the demand for salt increased?—Certainly; it has regularly increased.

260. Has there been of late years any variation in the price of salt?—Not much, I apprehend.

261. So that, though the demand for salt has increased, the public have not had it at a cheaper rate?—The quantity has increased in proportion; there has been a regular increase.

262. The supply has not increased in such a proportion as to bring it at a cheaper rate to the consumer?—No, I am not aware that the consumer has got it cheaper; it is sometimes four rupees and a half, and sometimes two rupees and a half, according to the quality.

263. Can you state the number of labourers employed in this manufacture?—I cannot.

264. Can you state the mode in which they are paid?—I cannot.

265. Can you state whether they are generally in debt to the Company?—I cannot. 26 Feb. 1830.

S. Swinton, Esq.

266. Can you state what proportion of salt is consumed over and above that manufactured by the Government?—Not much; I think a mere trifle.

267. You do not think so much as one-fourth?—No, nothing like it, I should think.

268. To whom are the advances made?—To the Molungees.

269. Are there any particular laws applying to that description of people?—There is a regulation respecting them.

270. If a man has once been in that trade, cannot he be always forced back to it, if it is necessary?—I believe not.

271. Is the mode of preparing salt that is pursued very unfavourable to health?—Wherever salt is made, it is always made in an unhealthy situation.

272. If a man has been a Molungee, and employed on salt, can he ever cease to be a Molungee?—He certainly can.

273. He cannot be compelled to return to his employment if he leaves it?—No, unless he happens to have fallen into heavy arrears.

274. Is their falling into heavy arrears common?—That is according to the character of the individual.

275. Are the Molungees a particular caste of natives?—I am not aware that they are. A man who has engaged to furnish one hundred maunds of salt is bound to do it; and if he cannot do it one year, he must do it the second year.

276. Are you acquainted with the administration of the land and sea customs in Bengal?—I ought to be.

277. You were at the head of that Board for some time?—I was; and I was the person who reformed the custom-houses in Bengal.

278. At what period was that?—The reform began in 1814.

279. Have there been any considerable reductions of the transit duty since that period?—Since I left the Board, there have been.

280. At what places in Bengal is the transit duty collected?—At the custom-houses.

281. Where are those custom-houses situate?—One custom-house is at Calcutta. In Chittagong there are sea custom-houses. The collections of Chittagong are trifling. The transit duties are collected at Moorshedadad, Hoogly, Patna, Dacca, Mirzapore, Cawnpoor, and Furruckadad, so far as I recollect.

282. Are any restrictive measures adopted for the purpose of forcing the goods into the custom-houses of those towns you

26 Feb. 1830.

S. Swinton, Esq.

have mentioned?—There are no means adopted to force them; no goods can pass the chokies without paying them.

283. The chokies extend into the country?—There is a regulation fixing the extent of every chokie.

284. From those centres do those chokies cover the greatest part of the chokies country?—No; they only cover the banks and mouths of the rivers.

285. The great roads of communication?—The great roads of communication only.

286. Are those transit duties collected at any very great charge?—They must necessarily be so.

287. Are you aware that that charge has increased largely of late years, when compared with the receipts?—The receipts having diminished, the charges will appear large in proportion; when the receipts were larger, the charges formed a small percentage.

288. Do you know whether the charges themselves have increased?—I am not aware that they have.

289. Have you been able, from your situation, to discover the effect produced on the internal prosperity of the country by the transit duties?—Certainly.

290. State the effect you think they have produced?—I am not aware that they injured the trade in any way of the fair trader; they might affect the smuggler, or the man who wished to evade the duties, but not otherwise.

291. Do you think they create no embarrassment, or no interference with the internal communication of the country, so as to diminish its prosperity?—Certainly not, as far as my observation went.

292. What would be the effect of taking off the transit duty on cotton?—It would enable the cotton to come to the Calcutta market at a lower rate, certainly.

293. What is the amount of transit duty on cotton?—I cannot state that from memory.

294. Is a very large proportion of the transit duty collected on the transit of cotton?—A very large proportion; but cotton principally grows in countries not our own, and it is paid on the frontiers: a large proportion at Agra; a small proportion at Mirzapore; but the largest proportion, I think, at Agra.

295. If the duties on the passage of cotton through our dominions were taken off, do you think it would be worth while to maintain the other transit duties, with the establishment connected with them?—If it took off nothing but the duties on cotton, it would still be worth while.

296. Would it be possible, on taking off those duties, to diminish the charges of general collection?—I apprehend not.

297. You cannot state what proportion of the duties consists of those levied on cotton?—I cannot, from memory. 26 Feb. 1830.

S. Swinton, Esq.

298. It appears that in the year 1826-7 the receipt of customs in Bengal was £330,970; can you state what proportion of that arose from the sea customs, and what proportion from the transit duties?—I cannot state that from memory.

299. If transit duties were entirely repealed, would there be any necessity for keeping up the custom-house establishments in the interior at the different places you have mentioned?—If the whole transit duties were repealed, many of the custom-houses might be done away with; only the frontier ones would remain then.

300. Supposing the amount now levied by the transit duties were levied by any small addition to the sea customs duties, would you not get the same amount of revenue without the necessity for maintaining the same establishment?—That must depend on knowing the amount of the transit duties, and calculating the sum to be laid on the exports or imports, to see whether they were equivalent. If fourteen lacs are taken from the transit duties, and fourteen lacs added to the imports and exports, it will come to the same thing.

301. If the whole of it was raised by sea customs, instead of a portion by the sea customs and a portion by the transit duties, would it not be possible to reduce the expenses of collecting the whole?—Yes, certainly.

302. Has there been any diminution or increase in the amount of the custom duties within the last few years?—I left the Board of Customs seven years ago; I cannot recollect what has occurred since.

303. Was there any reduction of the custom duties during the time you presided over that Board?—I am not aware that there was; there was a different system introduced.

The witness is directed to withdraw.

JOHN PASCAL LARKINS, Esq. is called in, and examined as follows:

304. What was the situation you filled in India?—I filled various situations. J. P. Larkins, Esq.

305. Have the goodness to state them.—In the early part of my servitude in India I was in the Commercial department, and filled the situation of Assistant to the Opium Agent at Bahar; that was previous to the year 1804. In 1804, I was called to the presidency, for the purpose of filling the office of sub-Export Warehouse-keeper under the Board of Trade. In 1811, I was promoted to a seat in the Board of Trade. In 1818, on the formation of a new Board of Customs, Salt and Opium, I was transferred from the Board of Trade to the new Board. During the time I was sub-Export Warehouse-keeper

26 Feb. 1830.

J. P. Larkins, Esq.

I held the office of Reporter on External and Internal Commerce, and Inspector of Company's Investments of Silk and Piece-goods.

306. Are you aware of the different price, in the market, of Malwa and Bahar opium?—I, have a perfect recollection that there was a great difference in the price between the two, both in the price at which they were provided and the price at which they sold, both to the speculators at Bombay and Calcutta, and the prices they realized at Canton or places to the eastward.

307. Can you state the proportions?—I can hardly state them with that confidence I would wish. The Malwa opium became recognized by the Government so short a time before I left India, I had not an opportunity of obtaining so much information regarding it as I had of the Bengal opium.

308. Was that considered an opium of superior quality, or more adapted to the Canton market?—The impression upon my mind is, that the Bahar opium and the Benares, for I may speak of them as the same article, was held in much higher estimation at the port of Canton than Malwa opium; but I have understood since, that the Malwa opium has realized nearly as high prices as the Bengal, and in some instances better. The cost of the Malwa opium has been much higher to the Company.

309. Has not the Bahar opium lately deteriorated in real value and quality?—I am not prepared to answer the question, as to what it has been very lately; but I had that confidence in the quality of the article during the time I had charge of the agency, which was for two years, and also while I was a member of the Boards of Trade and Customs, Salt and Opium, that I should say nothing could be purer than the agency opium of Bengal.

310. Up to what period do you speak?—Up to the year 1825, from the time the agency was established; the contract ceased about 1795 or 1796; I arrived in India in 1797, and joined the agency in 1799; it had been about two years established at that time.

311. At what period was the Malwa opium first exported in any quantity?—That it is impossible for me to say, for it was a contraband article for many years; it was not recognized by the Company till 1819 or 1820, I think.

312. Are the prices now given by the Company for opium in Bahar, and the prices at which they sell it, greater than they used to be?—There has been a great variation in the prices at all times. I think the first sales after it was established, it produced about a thousand rupees a chest; but I speak from a very imperfect memory. I have known it as high as four thousand.

313. What rupee do you speak of?—The Calcutta sicca rupee. 26 Feb. 1830.

J. P. Larkins, Esq.

314. Are you aware whether the price has varied very much at Canton?—I believe in nearly the same ratio as it has with us.

315. Upon the whole, the demand has increased very greatly in China, has it not?—I am not prepared to answer that question; I have not given much attention to this subject for the last four years.

316. Are you aware of the difference in quality and property between the Turkey and the Indian opium?—I remember (for when I held the office of Reporter of External Commerce I made those subjects a matter of inquiry for my own information) that we considered them to stand thus: as A and B and C—A the Bengal opium, B the Malwa, and C the Turkey opium; I cannot speak further than that.

317. Is opium exported to other countries besides China?—Yes; to all the eastern ports and islands.

318. Is there a great quantity exported to Java?—I think, as far as my recollection serves me, about two-thirds of the quantity exported from Calcutta goes to Canton, and the other third to the eastern islands.

319. Is any part of it exported by the Company?—No; they sell it all at their sales by the hammer in Calcutta.

320. Have you been in immediate communication with the Ryots who grow the opium?—I was three years attached to the agency, and had communication, of course, with all the opium districts under the Patna residency, where the cultivation was carried on.

321. What price was then given to the Ryots for the opium?—I think the price has been increased, but I do not recollect at what time the increase took place; but I should say that at the time I left India the price was about three rupees per seer.

322. Is that a price which remunerates the Ryot for growing his opium?—I can only answer that generally; my general opinion is, that it was a fair price to him.

323. Was it considered a favour to allow any one to grow the opium?—The opium Ryots had some advantages. They were not liable to be taken away from their work for little irregularities, by the courts of judicature, till the opium season of growth and manufacture was over; after that they were liable.

324. Independently of this, was a pecuniary profit given to the grower on the growth of opium?—I cannot say that the profit was great; it was considered wages to the grower: a remunerating price.

325. What proportion of advance was generally made to him?—The earliest advances were made in the month of October,

26 Feb. 1830. — *J. P. Larkins, Esq.*

for the purpose of enabling them to prepare their lands, after the heavy rains, for the reception of the seed; they had so much more when the plant was above ground.

326. The advance took place by instalments?—Yes.

327. Was the whole advance made before the crop was taken in?—I think not the whole before the crop was taken in.

328. In fact, loss seldom occurred upon an advance from the crop not meeting it?—I think there were some trifling outstanding balances in the factory books, but they were not very considerable.

329. Were the applications for leave to grow opium considerable?—We have no difficulty, generally speaking, in getting lands. I have known a difficulty at times; but, in general, there were no difficulties in getting lands for cultivation.

330. There was no obligation to grow it?—None.

331. Did you fix the price that was to be paid to the Ryot?—It was generally a settled price.

332. Did it not differ from year to year?—No it did not.

333. On what principle was it fixed?—I do not remember at this moment; it was raised latterly to three rupees a seer.

334. Did the produce differ from year to year?—Very much.

335. Do you apprehend that the advances and charges will remain as high as they have been since the year 1823?—I cannot say.

336. Was there any limit in the quantity of land to be cultivated in each year?—None.

337. The privilege was personal entirely?—Yes.

338. Were there instances of a zemindar interfering in any way to prevent or to increase the cultivation of opium?—I really cannot say at this distance of time.

339. Was the cultivation supposed to be unhealthy?—No, not at all; it is carried on in the finest part of the country.

340. Does it require any skill?—No; no skill in making it.

341. There is none required in cultivating it?—No; only attention; not skill.

342. Have you frequently detected adulteration?—I have been present when we have rejected some small quantity of opium in consequence of adulteration, but that very seldom happened.

343. Is any quantity of it illegally sold?—It was sold so enormously high at the sales in Calcutta that there was a great inducement to the natives to smuggle it.

344. Were they in the habit of doing so?—Yes, we frequently detected them.

345. What was the penalty attached to that?—I forget; but there is a rule and regulation expressly for that purpose.

26 Feb. 1830.

J. P. Larkins, Esq.

346. Will you explain in what mode the Company procure the silk for their investment for Europe and for China?—They send no silk to China. The Company's investment is provided by the agency of their Commercial Residents; and the silk is made by a contract with the men who rear the cocoons.

347. Are they generally people of property, or very poor?—I do not think it is at all a poor class of people.

348. Are large advances made on silk?—Yes; considerable advances are made, after the engagement is settled by the Residents there, to enable them to advance to the cultivators of the mulberry plant.

349. Have endeavours been made by the Company to improve the quality of silk in India?—Great endeavours.

350. Can you state their nature?—They had a very intelligent man there for many years, who was well acquainted with the manner in which the silk was made in Italy, who introduced, I believe, Italian filatures into Bengal.

351. Have they established any extensive manufactories?—They have; but at present, under no other superintendence, I believe, than that of their own Residents.

352. Do they carry the manufacture beyond reeling?—No.

353. Has the export of piece-goods by the Company decreased of late years?—I apprehend, very much indeed.

354. Have the piece-goods of India been supplanted by the goods of England?—Very nearly; altogether, I should say.

355. Have you any idea how many people have been thrown out of employment by that circumstance?—No, not the least.

The witness is directed to withdraw.

Ordered, that this Committee be adjourned to Tuesday next, one o'clock.

LONDON:
J. L. Cox, Printer, Great Queen Street.

PART II.

FIRST REPORT.

MINUTES OF EVIDENCE

TAKEN BEFORE

THE SELECT COMMITTEE

OF

THE HOUSE OF COMMONS

APPOINTED TO ENQUIRE INTO

THE PRESENT STATE OF THE AFFAIRS

OF

THE EAST-INDIA COMPANY,

AND INTO THE

TRADE BETWEEN GREAT BRITAIN, THE EAST-INDIES, AND CHINA;

AND TO REPORT TO THE HOUSE.

LONDON:
PRINTED FOR PARBURY, ALLEN, AND CO., LEADENHALL STREET; AND J. M. RICHARDSON, CORNHILL.

1830.

LONDON.

PRINTED BY J. L. COX, GREAT QUEEN STREET.

LIST OF WITNESSES.

FIRST REPORT.

THE SELECT COMMITTEE appointed to inquire into the present State of the AFFAIRS OF THE EAST-INDIA COMPANY, and into the TRADE between *Great Britain*, the *East-Indies*, and *China*; and to report their Observations thereupon to the House; and who were empowered to report the MINUTES OF THE EVIDENCE taken before them from time to time, to the House;—

HAVE made a Progress in the Matters to them referred, and had examined several Witnesses; and directed the MINUTES of the EVIDENCE to be reported to the House up to the 4th day of this instant, March, inclusive.

4th March 1830.

MINUTES OF EVIDENCE.

Lunæ, 15° *die Februarii* 1830.

WILLIAM WARD, Esq. in the Chair.

THOMAS GORE LLOYD, Esq., Accountant General of the East-India Company, and JAMES COSMO MELVILL, Esq., Auditor of the East-India Company; called in and examined.

15 Feb. 1830.

J. C. Melvill, Esq.

1. (*To Mr. Melvill.*)—You fill the office of Auditor to the East-India Company?—I do.

2. Are you Auditor of the accounts of the revenue, commercial and political, or of any other department?—Of the whole of the political accounts of India.

3. What do you consider as the political accounts?—The whole of the revenues and charges applicable to the territorial government of India.

4. Do you include in that the revenue of the old settled districts of the ceded and of the conquered or tributary states?—The whole.

5. Are those accounts sent home annually to England?—They are.

6. To what period have the last complete set been received?—Up to the 30th of April 1828; the account of 1827-1828.

7. Have you seen the printed papers submitted to this Committee, signed William Leach, dated the 4th of January 1830?—I saw them, for the first time, late on Saturday afternoon.

8. Do you know whether that account is made up to April 1827, for the year 1826-7?—It professes to be.

9. The Committee are to understand that you have a whole year's accounts at the India-House, received after those accounts were made up?—Undoubtedly; which, I believe, the Committee will find contained in a paper communicated from the India-House, included in this collection, page 26.

10. Are the Committee to understand that the accounts in Table, No. 1 (A) are a regular abstract of the revenues and

charges under the Bengal presidency?—I have not yet had an opportunity of examining them.

11. Will you state whether detailed accounts of the items from which those accounts are made up are also forwarded?—Undoubtedly.

12. For instance, have you the details of the expense of the Mint?—We have.

13. Does the return show the coinage, the expenses of the establishment, and other matters connected with the department?—It does.

14. You have stated that you have charge of the political; will you have the goodness to state what other departments of accounts come home from India, and who has charge of them?—I am not aware that any other accounts come home, except the commercial accounts, which come into the Company's home accounts, and of which Mr. Lloyd, the Accountant-general, has charge.

15. Are the Committee to understand that, with the details of the political accounts, and the details of the commercial accounts, they shall have the whole accounts the India Company possess?—If by political is meant the expenses of the political government, including the civil and military charges.

16. Will you state to the Committee under how many different heads the revenues of Bengal are arranged?—The General department, which comprehends the Mint, Post-office, and Stamps; the Judicial department, which merely comprehends a few fees and fines; the Land Revenue department, which comprehends the land revenue; the Customs, which comprehends land and sea customs; the Salt, which comprehends the gross recepts from the sales of salt; the Opium, which comprehends the gross receipts from the sale of opium. There is a new head of account, of the Territories ceded during the present charter on the Nerbuddah; there is, finally, the head of Marine receipts, which comprehends river dues.

17. In what departments are the revenues of Benares included?—They are included under the several heads I have mentioned to the Committee. The head of Revenue shows how much was received from Benares, how much from the old province, how much from the new; and so of the Customs.

18. Are the Committee to understand that in the accounts you keep at the India-House, the profits, if any, of the Benares mint, the receipt, if any, of stamps in that district, would appear as part of the general receipt of the Mint and Stamps?—Undoubtedly, stated separately under that general head.

19. Do you understand what fills up the column here under the head of Benares, where, for instance, for the year 1809-10, the revenue of Benares is stated at £570,486, and for the year 1826-7, it is stated at £784,784; are the Committee to under-

15 Feb. 1830.

J. C. Melvill, Esq.

stand that that is the aggregate of the revenue of Benares, and that no portion of it is included in the preceding existing columns?—I should apprehend so; but not having had an opportunity of examining the account, I cannot answer precisely.

20 The Committee are to understand that there are portions of those columns placed precisely under the same classification under which you have just stated the other revenues to be?—Yes.

21. At the India-House, Benares is kept separate and distinct?—We have the materials for keeping it distinct; they are sent home distinct.

22. There is another column, "Ceded Provinces in Oude;" does that column contain the aggregate of the whole receipts of revenue under every head?—I apprehend the answers I have given as to Benares is applicable to that.

23. And the same with respect to the Conquered provinces?—Yes.

24. Can you furnish to the Committeedetails respecting those five departments, Benares, Ceded Provinces of Oude, Conquered Provinces, Ceded Territory on the Nerbuddah, Ceded Provinces in Burmah, under their respective heads, in the same manner as the Committee have the revenue for the old provinces of Bengal?—Undoubtedly.

25. In the accounts of the salt revenue, have you the annual expense of the establishment, the gross and net produce, and prices of sale?—Certainly.

26. With respect to opium, the same details can be furnished?—Yes.

27. Under what head are the sayer or inland duties included?—They come under the head of the land revenue, a separate branch of the land revenue, the sayer or transit duties, and the abkarrie or excise duties on spirits.

28. Does the column marked "Total Revenues" contain the entire gross amount of all those revenues which you have now stated?—I presume it does, if the figures are correct.

29. Is it the practice in India, in paying money out of the revenue, to credit only the actual amount received, or do you bring the receipts for all such payments made into the gross amount?—The gross amount is credited without any deduction whatever, the deductions being carried to the opposite side of the account.

30. Will you state how many departments of audit there are in Calcutta, for examining those accounts before they are settled and sent to England?—They are audited by the several Boards and separate functionaries.

31. How many Boards are there, and what are their duties?

15 Feb. 1830.

J. C. Melvill, Esq.

—There are three Boards; one of Revenue, consisting of three or four members, civil servants; there is a Board of Salt and Opium, consisting of three members, civil servants; and there is a Marine Board, consisting of three civil servants and the Master-Attendant in Calcutta: each of these Boards has an accountant.

32. Are those Boards entirely separate from each other, so that no members of one are members of another?—The Marine Board is united in a great measure with the Board of Salt and Opium, only that the Master-Attendant is a member of the Board for marine purposes.

33. You mean to say that the Salt and Opium Board, joined by the Master-Attendant, sits as the Marine Board?—Yes. The civil charges are not audited by either of those Boards, but by an officer expressly for that purpose, who is denominated the Civil Auditor, and who audits also the accounts of the Mint and of the Post-office. The military charges are audited by a separate auditor, under the denomination of the Military Auditor-General, who is a member of the Military Board.

34. Will you state the constitution of the Military Board?—It is not in my department.

35. Will you state what period elapses after the close of the year before the land revenue is audited and settled?—About ten months. The accounts are closed to the 30th of April in each year, and they should be despatched about the January or February following. That delay is created by the revenue accounts and military accounts not being intermediately audited.

36. Will you state to what cause the delay that takes place is to be assigned?—The complexity of the accounts, the vast sums they embrace, and the necessity of referring to a great distance.

37. Will you state the time that elapses in the final audit of the other Boards after the closing of the year?—About the same time.

38. Does the auditing at home in your office include any judgment upon the charges, or is it merely passing the accounts as they are passed in India?—It is merely a revision of the accounts; the auditing of the accounts, properly so called, takes place in India.

39. Your office in England is merely recording the transactions of the audit offices in India? – Clearly so; so far as respects the audit branch of business. The duty consists in revising the whole of the Indian books, and seeing that all the orders of the home authorities with respect to the mode of keeping those accounts have been strictly observed.

40. Do you conceive that the system of audit of the accounts in India, and afterwards by re-examination at home, is as good a system as can be established, or that it might be improved?—

15 Feb. 1830. — *J. C. Melvill, Esq.*

If I may be permitted to form a judgment, I should say that the system that now prevails in India is a good one; that the accounts are quickly audited, considering the vast sums and the description of the expenditure they embrace.

41. You have stated that the office with which you are connected audits merely the political accounts?—Meaning by that the whole of the territorial revenues and charges; what would be called the Government accounts.

42. In what office are the commercial accounts audited?—By Mr. Lloyd, the Accountant-General, who is here.

43. Do you mean the accounts in India connected with India, as well as the accounts at home?—I apprehend that the audit of commercial accounts takes place in India; and that what takes place in this country by Mr. Lloyd is very similar to that which takes place in my office in regard to the political accounts.

44. So that the commercial accounts in India are not included in your department?—They are not.

45. They are made up in India, and not in London?—Not in London.

46. Are the salt and opium accounts included in your department?—They are.

47. You consider them purely revenue accounts, and not commercial?—Clearly revenue accounts

48. Have the goodness to state how the salt comes into the possession of the East-India Company?—The Committee will be pleased to understand mine is merely a department of account.

49. In page 6 of the accounts before the Committee, it appears that in the year 1826-7 the profits of the Government Bank are brought in under the head of Mint; are the profits of the Bank generally brought in under the head of Mint, or is that the only year in which they have been so introduced?—I believe that is the only year in which there are any profits from the Government Bank at Madras, and it is only at Madras that there is purely a Government Bank: those profits had accumulated for a long course of years, without being brought to account, and there was an adjustment in that year. I was not aware, until the honourable Member pointed it out, that this item was stated in the accounts signed "William Leach," under the head of Mint.

50. Can you inform the Committee in what manner the salt and opium come into the possession of the Company's authorities in India?—I have not in my department the documents which would furnish the information.

51. With regard to the salt and opium, can you inform the Committee whether, under the head of Revenue, as that including the gross amount, you take the repayment of advances

of the year previous which is put together with the charges under the same head? - It is a cash transaction; and these accounts show in one year what has been received in that year and what has been spent and advanced in that year.

52. Under the head of Revenue you have separately that received as revenue for the salt and opium, also that received in repayment of advances made in the preceding year?—What is termed advances is money issued to the manufacturer for the purchase of the article, and not intended to be repaid; it is an advance to him on account of his contract.

53. The Committee are not to understand, then, that if you deduct the smaller from the larger sum, that which remains is the exact profit of that year?—No, not of that year.

54. It may be taken running from year to year, as showing the net balance?—Yes.

55. What is comprehended under the head of Marine Revenue?—There are river dues, moorings and pilotage, and light-house dues also.

66. Will you state in what manner the military stores, which strictly belong to the political department, which are purchased in England and sent out, are brought into the accounts?—They are included among the territorial charges paid in England.

57. They do not enter into this account at all.—Certainly not.

58. Does the revenue of the Mint include seignorage, or from what does that arise?—There is a duty upon coinage; I presume a seignorage.

59. Are you aware whether any alteration has been made since the report of the Committee in 1810, in which the statement of the Mint regulations is contained?—I am not aware of any alteration; the business connected with the Mint is in a separate department.

60. Can the Committee obtain an account of the items from which this revenue arises?—Undoubtedly.

61. In the money coined at the Mint on account of the Company, is that charge for seignorage included?—I am not able to answer that question without referring to the detailed accounts.

62. Does that remain as stated in the Report of 1810? - I believe it does; but I must take the liberty of referring the Committee to the department in which the business of the Mint is transacted.

63. Can you state whether the sum credited in each year as profit to the Mint is net profit, or whether there is a charge to be set against it?—There is a large charge on the opposite side of the account.

64. Is the East-India Company, in its commercial capacity.

15 Feb. 1830. charged with a seignorage for the money coined at the India mints?—I apprehend that the Company, in its commercial capacity, has no money coined at the India mints; in its territorial capacity it has.

J. C. Melvill, Esq.

65. Is there any seignorage charged in this account of receipts for money coined for the Company generally?—I am not aware; but the honourable Committee may be furnished with the details of the account.

66. Are you aware that any portion of the revenues of Bengal are received in kind?—No, I apprehend not.

WILLIAM LEACH, Esq., Accountant to the Board of Commissioners for the Affairs of India, called in, and examined.

Wm. Leach, Esq.

67. Will you look at that paper that you have in your hand, page 4, under the head of Benares, and state whether you conceive the sums in that column of land revenue, stamps, and every other kind of income received in Benares, are included?—This account has been made up from the accounts presented to Parliament every year, and I suppose it to include all those items. Mr. Melvill, being present, can of course speak to the fact.

J. C. Melvill, Esq.

68. (*Mr. Melvill.*) Do you, in the accounts that you make up for Parliament, include Benares separately?—Yes, I do; and that includes all the heads.

Wm. Leach, Esq.

69. (*To Mr. Leach.*) Have the goodness to state at what exchange you have converted all the rupees into pounds in the Table you have laid before the Committee?—At the exchange used in the Parliamentary accounts; 2*s.* the current rupee.

70. Are all the accounts of Bengal kept in current rupees, or siccas?—They are kept in siccas. The difference between the current and sicca is 16 per cent.; the sicca rupee is 16 per cent. better than the current; that is the rate at which the sterling value shewn in the accounts before Parliament is calculated.

71. In what rupee are the whole of those accounts of the revenue kept at Calcutta?—In sicca rupees.

72. At what rate do you convert the sicca rupee into current?—By taking the sicca at 16 per cent. better than the current rupee at 2*s.*, which makes 2*s.* 3*d.* and $\frac{84}{100}$ths for the sicca rupee.

73. The process you adopt is first to convert the sicca into current rupees, and then the current rupees into pounds sterling, at the exchange of 2*s.* the current rupee?—Exactly so.

74. Is the exchange you have taken the commercial exchange?—No; it is the exchange that has been in use in the accounts before Parliament for a very long series of years.

J. C. Melvill, Esq.

75. (*To Mr. Melvill.*) How do you consider this rate of conversion to be, as compared with the intrinsic value of the sicca

15 Feb. 1830.

J. C. Melvill, Esq.

rupee?—Do the Committee mean, that in computing the intrinsic value, I am to refer to the standard price of silver at the English Mint?

76. Yes.—Taking the price of silver at the Mint standard in England, of 5*s.* 2*d.* per ounce, the intrinsic value of the sicca rupee is about 2*s.* 0½*d.*; and by the process adopted in this account, as explained by Mr. Leach, the sicca rupee is made to be worth nearly 2*s.* 4*d.*

77. Are you aware that the present rate of mercantile exchange is only 1*s.* 11*d.* per sicca rupee?—Yes, taking a bill of exchange in India upon London.

78. Have the goodness to state the intrinsic value of the Madras and Bombay rupee?—The Madras accounts, as rendered to Parliament, are stated in India in rupees; those rupees are, in this country, converted into pagodas, at the rate of three and a half rupees for one pagoda; and then the pagoda is converted into sterling, at 8*s.* the pagoda; and at that rate the Madras rupee is made to be worth 2*s.* 3*d.* and $\frac{408}{1000}$th parts. At the Mint price of silver in England the value of the Madras rupee would be only 1*s.* 11*d.* and $\frac{40}{1000}$th parts. The Bombay accounts are stated in India in rupees; and the rupees in England are converted at the rate of 2*s.* 3*d.* each; the intrinsic value is 1*s.* 11*d.* and $\frac{400}{1000}$th parts.

79. How are the revenue and other accounts kept at Madras?—In Madras rupees, since the year 1819, when the currency was changed to rupees from pagodas, in which latter coin the accounts were previously kept.

80. Is the rupee, since 1819, of the value you have stated, of 2*s.* 3*d.* and $\frac{408}{1000}$th parts?—That is the value assumed only in our English view of the accounts; the real value is 1*s.* 11*d.* and $\frac{40}{1000}$th parts.

81. In what manner are the accounts kept at Bombay?—In rupees.

82. Those rupees are converted at what?—At 2*s.* 3*d.*

83. What is the intrinsic value?—The same as in the former case, assuming the price of silver in England to be 5*s.* 2*d.* an ounce.

84. How are they kept at Benares?—They are kept in Furruckabad rupees, and they are converted at the presidency into sicca rupees, at four and a half per cent. worse than the sicca, which is about the intrinsic difference.

85. In what coin are the accounts of the ceded province of Oude kept?—In the Furruckabad rupees. I rather think that in the whole of the Bengal territories there are only two descriptions of coin used in the accounts, the Furruckabad and the sicca rupees.

15 Feb. 1830.

J. C. Melvill, Esq.

86. In what manner are the accounts of the conquered provinces kept?—In Furruckabad rupees.

87. In what manner are the accounts of Prince of Wales' Island kept?—In sonaut rupees; they were formerly kept in dollars.

88. Are the Committee to understand that in using the term intrinsic value, you are obliged to make use of the rule of the English Mint for the relation between gold and silver?—I took the liberty of asking whether I was to adopt that standard in giving my answers, and I have done so.

89. Is not that rule arbitrary?—I apprehend it is.

90. What would be the average difference in the computation between the real and the supposed value?—About 12 per cent. as far as respects Bengal; but if the Committee take the average of the differences applicable to all the presidencies, about 15 per cent.

91. You have stated two sums as being included in the land revenue; are there any other sums included under the head of land revenue, or is the Committee to understand that the whole of the remainder is really land revenue?—The land revenue merely comprehends two great heads of account, the land revenue, and the sayer and abkarrie; the sayer is still preserved in the accounts.

92. Under the head of Charges under the Bengal government, how many heads of accounts are there?—There are the same heads of account as there are on the receipt side, and there are some additional; there are the military charges under a separate head.

93. Does the head called Civil come under the general department? - Yes, it does.

94. In the charges are the articles of machinery for the Mint that have been sent out from England included?—Yes, undoubtedly; I apprehend that they are not included under the column referred to, but would come under the head of Territorial Stores.

95 In the column of Charges, where £47,426 appear as expended in the year 1826-7, does the machinery come in that account?—No, certainly not under that column.

96.* Will the freight and insurance, and all the expenses attending them, come under the head of Buildings and Fortifications?—If the Committee refer to the expenses which have been incurred in building the new Mint, undoubtedly under the head of Buildings; but if they refer to the expense of machinery, that will come under the Territorial Charges paid in England, which will include the freight and all the expenses.

*97. Are the Committee to understand that, under the head of Buildings and Fortifications, there is no distinction drawn

between military buildings and civil buildings?—The accounts distinguish the military from the civil buildings. 15 Feb. 1830.

J. C. Melvill, Esq.

98. Under this head of Mint, £47,000, what is included?—The whole expense of the establishment, salaries, and loss on refining and melting, and charges of that description.

99. All the European and native servants employed in the Mint are there included? – Yes.

100. There appears to be a great increase in the charges of the Mint during the latter years of this account as compared with the former; can you give a reason for that increase?—I apprehend there has been a great increase of business in the latter years in the Mint.

101. The next item is the Post-office, where there is an increase of £50,000?—I would explain, with reference to that increase, that it principally arose from a transfer from the charges of Political residents to the head of "Post-office," of the expense of what is called the Political dawks.

102. Do you know whether the Company is charged postage in its commercial department in this account?—I am not aware.

103. The third column is Civil Charges; will you have the goodness to explain them. They appear in 1809-10 to be £600,740, and in the year 1826-7 they appear to be £1,321,824. Explain under what head the several sums included under this word "civil" come?—One of the principal items is the whole of the charge of the political residences and embassies to native courts. Another principal item is the whole of the expense of public offices and establishments at the presidency, including the salaries of the Governor-General, and the Members of Council. Another principal head of expense is the Nizamut stipends, and other allowances, which we are bound by treaty to pay. There is another principal head, the Provincial Battalions.

104. Is the police of Calcutta included?—All the provincial and Calcutta battalions are included.

105. Are the irregular cavalry included in that?—No.

106. Are the expenses attending the journies of the Commander-in-chief and the Governor-General included in this?—They are included in another head of charges, the Durbar charges, which is also comprehended in these civil charges, which likewise include subsidy to the king of Persia.

107. Does that include embassies sent from the other presidencies as well as from Calcutta?—Yes, all the political residencies are comprised in the Bengal accounts, and all the embassies.

108. No part of the charges connected with the collection of the revenue are here included?—The revenue charges are not included in the civil charges.

15 Feb. 1830.

J. C. Melvill, Esq.

109. Under what head does the expense of the College come?—That comes also under the civil charges. The contributions to public institutions are all included.

110. In reference to the column of Land Revenue, can you give the information whether that is a revenue collected in money or collected in kind?—In money. There is no revenue paid in kind in Bengal.

111. The stamps appear to have been in 1809-10, £9,555; and in the year 1826-7, £67,766. What kind of stamps, or what items, are comprehended under that?—Salaries and establishment, and paper and all incidental expenses.

112. Does that include any thing for the machinery used in stamping?—No, I apprehend not.

113. Are you aware that the charge upon the stamps amounts to full 30 per cent.?—I recollect some alteration in the mode of keeping the stamp accounts; and I believe that a portion of that charge is an allowance in commutation of fees formerly levied on the institution of suits. There was an account to that effect laid before Parliament some time ago, and that account may be continued. I believe the charge of collection of stamp duties to be about 15 per cent.

114. Would it be practicable to furnish an account of the expense of the per-centage of collecting all the revenue in detail?—Clearly so.

115. Can you account for the very great increase of the revenue on stamps for the last three years of this account?—There has been an extension of stamp duty to Calcutta.

116. Can you account why in the year 1826-7 the receipt was £219,607, and the estimated receipt for 1827-8 is £254,435, being a difference of about £30,000?—I suppose that to have been in consequence of the new system having been only in partial operation in the year 1826-7, and it being supposed it would come into complete operation in 1827-8.

117. Under what head are the charges for collecting the land revenue?—Under the head of Revenue.

118. Is that exclusively the charge of land revenue, or does it include charges on any other revenue?—It includes other sums that would not be properly considered the expenses of collecting the revenue; many stipends to rajahs and other persons.

119. There is only one class of stipends included under civil?—Only the Nizamut.

120. Can you give any reason to the Committee for the increase of charge upon the collection of the revenue, being from 1809-10 to 1826-7, in the proportion of nearly one-third, and the increase of revenue collected being only about in the proportion of one-ninth?—A good deal of the increase has

15 Feb. 1830.

J. C. Melvill, Esq.

been caused by new territory, which has lately come into the Company's possession; undoubtedly the charge of collecting revenue on new territory is greater than on old territory; but without examining the details I cannot state farther.

121. You were understood to state, that under the head the Committee are now considering, the Benares and the Ceded and Conquered Provinces were not included, that they had all their separate heads in another account?—I understood the Committee to refer only to charges of collecting on the old territory, respecting which it is impossible to explain the cause of the increase without looking into the particulars of the account.

122. What items are contained within the column "Supreme Court and Law," £56,917 in the year 1809-10, and £54,239 in the year 1826-7?—The charge of the King's Courts.

123. Does it include all payments of every kind; pensions, if there are any, connected with the Supreme Court?—Yes, it does; excepting only such portions as are paid in England.

124. And there is no charge on account of the Supreme Court in any other department?—No, there is not, with the before-mentioned exceptions.

125. Does it include payments made in England?—No; they are brought into account at home, and charged in that shape to India.

126. The next is the head of Sudder and Zillah Courts; does that include the expense within Bengal, Behar, and Orissa, or any other district?—It includes only Bengal, Behar, and Orissa, as far as I can judge from reference to the account at the moment.

127. It is observable in the accounts as they stand, that on the Revenue side and on the charge side the revenue and charge of the Ceded Provinces and Conquered Provinces are given in gross; can accounts in detail be given of both those?—Yes, clearly.

128. Can you account at all for the expense of the collection of the duties of customs having increased so prodigiously; it appearing that in 1809-10 it was £10 per cent., whereas in 1826-7 it was £20 per cent.?—I have no doubt it is susceptible of explanation, but I have not the materials at present before me.

129. Can you furnish the Committee with an account of the outstanding arrears and balances of the land revenue at the time of making up the account?—Yes, certainly.

130. Can you inform the Committee whether the "Customs" include the charges of customs on goods imported on account of the East-India Company into Calcutta?—Yes, undoubtedly. The Company, in its commercial character, pays the same duties upon imports and exports as are charged to individual merchants.

15 Feb. 1830.

J. C. Melvill, Esq.

131. Do their stores pay duty?—Not their political or military stores; all Company's merchandize pays a duty.

132. Are all the charges upon the entrance of articles of consumption into Calcutta included under the head of this charge of Customs?—Yes, they are.

133. Are the Company's salt and other things, when imported into Calcutta, entered?—Yes.

134. The next head is "Revenue;" will you state what are the items that come under the charges of revenue?—The charges of collecting the revenue, including the salaries of the members of the Boards of Revenue; the charges of the Collectors in the various districts; there are also charges denominated Pulbundy charges; there is the charge of Revenue surveys; I am not aware at this moment of any other except pensions.

135. Are the expenses of those that are sent to assist the collectors included?—In the charges of the collectors are included the cost of their establishments, as well as their own allowances.

136. With the Subrundy corps?—No, they are not included in the revenue charges; which, however, comprise pensions of a very considerable amount chargeable on the revenue, being stipends to natives,

137. Are there any charges on account of education here?—No; the pensions are a very material item.

138. Is there any expense attending the abkarrie or license system?—There is a charge for collecting.

139. Under the next column of "Charges of Ceded Provinces," what is included?—The charge for collecting the land revenue, and other receipts, from the new territory on the Nerbuddah.

140. Under the head of Military Charges there is the amount of three millions and a half in 1809, and five millions and a half in 1826; are those confined entirely to the pay of the military, or what is included?—All military expenses of every description; all war charges; the charge of stores bought in India, but not that of stores purchased in England.

141. Do fortifications built come under that head?—No.

142. Have you the means of distinguishing the ordinary from the extraordinary military expenses, and of separating the expenses which have been incurred in the wars which have taken place in the period of those accounts, from the ordinary expenses of the military establishment?—In a considerable degree; but I should fear not altogether.

143. What comes under the head of "Marine Charges?"—The whole of the Master Attendant's establishment, and the whole of the Pilot's establishment.

15 Feb. 1830.

J. C. Melvill, Esq.

144. Are all buildings connected with the marine included here?—The buildings are altogether a separate head.

145. The only other item is "Interest on Debts;" does that include all debts payable with interest?—All interest that is payable on the Indian debt, whether that interest be payable in India or in England.

146. What change has there been in the rate of interest paid in India?—In 1809 it was eight per cent.; in 1814, six per cent.; and in 1828, it is five per cent.; that is the average rate.

147. By whose authority would it be that the increase of debt upon the territorial revenues accrued would be transferred; for instance, supposing there was a defalcation on the general account to a considerable amount, in any given year, would it be by the authority solely of the Company themselves that they would transfer that as a debt to the territorial revenue?—The plan for the separation of the accounts has been framed in obedience to a Parliamentary enactment, and has been approved by the Board of Commissioners for the Affairs of India, and has been laid before Parliament. I refer to the last Charter Act. By that Act the Home expenses were divided, and instructions were given to the several Presidencies, who framed the accounts on the same principle; and those have been approved by the Commissioners under that Act.

148. In your opinion, does that separation, which is directed by Act of Parliament, give a fair means of really judging of the result of the Company's trading as merchants?—With one important exception. The plan provides that the rates of exchange which have been to-day mentioned, with reference to the territorial accounts, shall be observed in that separation; and the effect of observing those rates is, that the Commerce pays very largely, and the Territory gains very largely. Perhaps I ought to explain to the Committee, that the operation is simply this: the Commerce disburses in England for the Territory, in military pay and allowances to King's and Company's officers in England, in the purchase of political stores, and in various territorial charges, amounting, on an average, to about three millions sterling annually. The Act of Parliament provides that the Territory shall issue in India, for the purposes of commerce, an equivalent to the sums so issued in England; and the plan of separation directs that the Commerce shall be repaid its issues made in England, at the rates which have been mentioned.

149. Has any estimate been made of the extent of the injury that the Company suffer in their commercial capacity under that arrangement?—I believe it has; Mr. Lloyd has, I believe, prepared such an estimate.

T. G. Lloyd, Esq.

150. (*To Mr. Lloyd.*)—Can you furnish the Committee with an estimate which you consider to be correct, of what the Company suffer in their commercial capacity under that regulation

15 Feb. 1830. with respect to the exchange?—Yes, I can, up to the year 1829.

T. G. Lloyd, Esq.

151. Do you consider that, with the exception of that circumstance which you have mentioned, the separation between the political and commercial character of the Company is fairly stated in the accounts?—With that exception, I am certainly of that opinion.

152. And that if they were different interests, one acting as sovereigns, and the other acting as merchants, the accounts would show clearly what has been the result in the one capacity and the other?—Exactly so.

153. Would you be able to produce an account upon any particular investment from India to England, and also from India to China, stating the amount at which that investment was laid in, and the actual receipts obtained upon that investment?—Yes, I have no doubt I could.

154. Is there any capital belonging to the Company in their capacity as a commercial company, with which they trade?—I apprehend that their commercial assets constitute their commercial capital.

155. There is no disposable capital in the shape of money for the purchase of those investments?—We have disposable money, cash being one of the assets.

156. Is it not the usual custom to draw on the territorial possessions of India for such investments?—Certainly not.

157. Do any charges of any kind connected with commerce for providing the investment appear at all?—Not in the territorial; they are stated in the commercial account.

158. Are the Committee to understand, that on no occasion the investments of the Company, as a commercial company, have been made through the medium of the territorial revenues in India?—Since the year 1814, when the accounts were directed by the Act passed in 1813 to be kept under the heads of Territorial and Commercial, there has been a running account between the Territory and Commerce; the commerce has paid for every thing they have received from India, and there is now a balance of upwards of 5,000,000 sterling due from the Territory to the Commerce.

159. Can you give the Committee an account of the trade of the Company to India, and the trade of the Company to China; the trade of the Company between India and China distinct, with the result of each description of trade?—We can.

160. Up to what period can that be furnished?—As far as regards the home accounts, up to May 1829: the foreign accounts, as far as the books have been received; I think we have not received the books of 1827-8.

161. If Commerce now stands creditor to Territory 5,000,000

and upwards, will not the manner in which the repayment of those advances have been valued, as stated before, nearly double the amount?—I have no doubt it will exceed the proportion that the Committee have stated. I think, from some papers I have been preparing, the additional claim upon the Territory, if I use the mercantile rate of exchange in England for bills upon India, would be 7,000,000 sterling in addition to the 5,000,000. 15 Feb. 1830. T. G. Lloyd, Esq.

162. When you talk of commerce do you include the China trade?—The China trade is part of our commercial concern, certainly.

163. (*To Mr. Melvill.*)—Can you inform the Committee of the reason of the extraordinary increase in the department of the Marine; in 1809-10 it was £75,147, and in 1827-8 the estimate was to the amount of £239,273?—Much of the increase is attributable to the estimate having included charges connected with the Burmese war; and there was also brought into the estimate the cost of a steam-vessel. J. C. Melvill, Esq.

164. Still the increase was much more than doubled in the year previous to the Burmese war?—Yes; but I think that many of the accounts of that expenditure were unadjusted.

165. (*To Mr. Lloyd.*) – Can you state as to the creditors of this large debt of the East-India Company, what proportion is held in Europe and what in India?—I can furnish the Committee with a statement of a former Accountant-general in Bengal, in which he stated the proportion held by natives and the proportion held by European residents in India. T. G. Lloyd, Esq.

166. Are there accounts at the India-House which will show an estimate of the reductions which it is understood are now going on in India?—(*Mr. Melvill.*)—Certain statements have been received from India, showing the progress of those reductions; and the Court of Directors have ordered very extensive reductions, which are now in progress; the nature of those may be stated. J. C. Melvill, Esq.

Jovis, 18° *die Februarii*, 1830.

CHARLES MARJORIBANKS, Esq. called in and examined.

167. You are a servant of the East-India Company in their China Factory?—I am. 18 Feb. 1830.

168. How many years have you been in the Company's service?—I have been seventeen years in the service of the East-India Company; the greater part of that time resident in China. C. Marjoribanks, Esq.

169. In that situation you had an opportunity of making yourself master of the mode in which the trade between China and England is conducted?—I have had opportunities of acquiring information upon this subject.

18 Feb. 1830.

C. Marjoribanks's, Esq.

170. Is the foreign trade of China confined to one port alone? —It is so at present. The Spaniards still enjoy the right of trade to the port of Amoy, in the province of Fokien; but I believe it to be merely a nominal privilege, inasmuch as they seldom avail themselves of it. The foreign trade was in former years open to other parts of the empire, to Chusan, Limpo, and the island of Formosa, from which ports foreigners were gradually excluded by the enactments and oppressions of the Chinese government; but foreign trade is now entirely confined to the port of Canton.

171. Is that trade carried on by many persons, or under what peculiar circumstances is the trade with China carried on?—The legal trade with China, as far as the Chinese is concerned, is carried on by a body of men called Hong merchants, at present seven in number.

172. Those Hong merchants, therefore, may be considered as enjoying a monopoly of the China trade?—They enjoy the monopoly of the legal trade as it is at present carried on, and are the only persons permitted by the Chinese laws and government to conduct trade with foreigners.

173. Do you consider that the present system of carrying on the trade is advantageous to China?—I conceive very great advantages result to China generally from foreign trade. The Chinese government has invariably, from the first periods of our intercourse with them down to the present period, professed to hold it in contempt, but I believe they are well aware that very great advantages result to the empire generally from the foreign trade. I do not believe that any large sum is paid into the Imperial Exchequer at Pekin in the shape of government revenue; I have heard that sum differently estimated, but I have seldom heard it stated to exceed two millions of dollars from the whole foreign trade; I have heard it so stated upon Chinese authority, which is always more or less a questionable authority; but I believe great advantages result to the country generally from the foreign trade, from the encouragement which it gives to native industry, from the numerous natives employed in different ways in the transactions of foreign commerce, and from the very flourishing state of the southern provinces of the empire, among which I include the Tea provinces, which owe their prosperous condition very materially to the foreign trade. I believe the appointments of the government offices at Canton are considered amongst the best in the empire; the Chinese themselves, in speaking of an appointment at Canton, call it quaintly *promoting* to Canton, considering it a promotion from most of the ther government situations in the empire. It affords to the government officers numerous opportunities of realizing fortunes, which they have not always the means of enjoying, from the insecurity of property.

174. Has any change taken place in the trade within your

recollection?—Yes, very considerable changes have taken place in the foreign trade generally. One of the greatest changes which has taken place, and which, in my own opinion, will sooner or later affect the security of our trade, is the enormous extent of the smuggling trade now carried on in China, amongst the islands in the mouth of the Canton river, to a very great extent indeed; so much so, that if the Chinese government had the inclination, I do not imagine they possess the means of putting it down, at least by any marine force which they have. That trade has originated very much in the opium trade, which used formerly to be carried on at the port of Macao, which was then principally in the hands of the Portuguese; but by their enactments, which prevented other foreigners from engaging in it except naturalized Portuguese subjects, which enactments were principally passed with a view of excluding British merchants from any participation in its advantages, the opium trade was forced to Whampoa, which may be considered the port of Canton: there it was met by counteracting prohibitions and exactions of the Chinese government. It was then compelled to seek refuge amongst the islands in the mouth of the Canton river, where it is now carried on to a very great extent: indeed, not only in opium, but in articles of every description. Great apprehensions have arisen on the part of the persons connected with the Chinese government, of the deficiencies which are likely to arise in their legal duties, as well as in the profits of the situations of the Government officers in Canton, if the trade is permitted to increase in the manner in which it shows a disposition to do at present. Such is the corrupt nature of the government, that the lower custom-house officers, who are appointed to put down smuggling, are frequently the persons by whose instrumentality it is carried on. There are other changes which have taken place in China during the period of my residence. I think the condition of British subjects in China, with reference to their relations with the Chinese government, has very materially improved within my recollection, and the Company's trade in tea has increased considerably.

18 Feb. 1830.

C. Marjoribanks, Esq.

175. Has the situation of British residents in China been improved or otherwise, or their commercial interest promoted by the last embassy to Pekin?—I think our situation has very materially improved; inasmuch as a very favourable impression was made upon the minds of the Chinese government, and indeed of the people generally, by the late embassy to Pekin, which arose very much out of the principles upon which that embassy was conducted—principles which I have always considered as the most conducive to the Company's interests in China—namely, great conciliation in all intercourse with government, but at the same time perfect firmness and decision in all material points which involved either the national character there, or the interests of our commerce; and our national reputation and commercial interests have ever had a near and

18 Feb. 1830. C. Marjoribanks, Esq.

intimate connection. I have always seen in China, that what has proved injurious to our national reputation, has had an equally injurious effect upon our commercial interests: I believe it will continue to remain so. I conceive that our character has been raised in public estimation in China by the conduct of Lord Amherst's embassy; and I believe the resistance which Lord Amherst made to the requisitions of the Chinese government, which involved on the part of the foreigners the most humiliating compliances, has raised, at least preserved unimpaired, the British character in China. It is in the very nature of an arbitrary government to trample on abject submission, and to have its appetite increased by the very means which are adopted for its gratification. By a subservient course of conduct we should only have incurred degradation, without the shadow of an equivalent. In former years I am not prepared to say it was the case, but since I have known China, the representatives of the Company have endeavoured as much as possible to proceed in such a manner in their intercourse with the government and people of the country, as not to sacrifice national character for the acquirement of a temporary advantage.

176. Do you consider the Company's representatives in China to possess a superior influence over other foreigners?—Certainly I do.

177. From what cause?—From the great magnitude of their trade, as well as from the superior importance which attaches to British residents in China, as in most parts of the world. A knowledge of the Company's power and influence in India certainly contributes to the influence which their representatives possess with the government of China—an influence which perhaps increases the jealousy and apprehension of the government; while it does so, it increases their anxiety to remain on good terms with us. When I speak of British residents, I mean in any part of the world I have been in, I have generally seen British residents fully more respected than those of any other countries, and I think that enters into the causes which produce the estimation in which we are held in China.

178. What general effect, in your opinion, would be produced in China by the opening of the trade to China generally to British ships?—I consider that every increased number of British ships which resort to Canton more than is necessary for the trade, tend to endanger the security of the trade. I mean to say, that every increased resort of British subjects to Canton, by bringing them more into possible collision with the Chinese than they at present are under the existing system, would tend to endanger the security of that trade. I think a number of individuals would resort from this country who would enter into very active competition with each other in the markets

18 Feb. 1830.

C. Marjoribanks, Esq.

of Canton, and that that individual competition would have a tendency to induce them to undersell each other in imports, and to give higher prices for the productions of China than are now given by the East-India Company. As the trade at present exists, the Company enter as an individual purchaser into the market, and have a very great control in consequence over the markets of China, which I do not think individuals would possess; I think it would be very difficult, in the restricted limits to which foreigners are generally confined in Canton, for British subjects generally to be admitted there; I think it would be found too small for their active competition, and that they would not submit to the required restrictions. I am of opinion that one of the immediate effects of an open trade to China would be to raise the prices of tea in the Canton market, which have remained for many years fixed, by the power of the Company enabling them to resist any attempts which have been made to raise them. I think also that the opening of the trade would very much endanger its security, by the increase which would take place in the foreign smuggling trade; and I think its general effect would be to lower the English character in the estimation of the Chinese.

179. Have you any means of knowing whether the Chinese authorities and the Hong merchants have formed any opinion of the advantage or otherwise to them of an open trade?—The government have at all times objected to innovation of any kind; and they have been so long accustomed to the manner in which the trade has been conducted, and to the regular system which they have been enabled to establish, that I think they would very unwillingly exchange it for any other. I have been told by the Chinese with whom I have conversed, that the officers connected with the government, upon hearing that changes were in contemplation, expressed themselves inimical to such changes. The Hong merchants themselves, at least the wealthier part of them, are decidedly against any change which would subvert the system on which the Company's trade is conducted. Howqua, the senior Hong merchant, speaking in reference to the subject, said, he looked with dread and apprehension at an increased number of British ships; which implies an increased resort of British subjects arriving at Canton. I believe the Chinese to be perfectly satisfied with the extreme regularity with which the Company's affairs are conducted, as well as with the good faith which is uniformly preserved by the Factory in their several transactions.

180. Do you think that any increased consumption of British manufactured articles would take place if the trade was more open to China than it now is?—I am not disposed to think so; and my reasons for not thinking so are, that I have known the Chinese markets of late yeas frequently filled with English manufactures upon which prime cost could not be

18 Feb. 1830. — C. Marjoribanks, Esq.

realized. I have known several investments imported by Americans and others, which have sold at a very considerable discount; and I know that the Company have for many years, and in former times, sustained very great losses indeed upon the import trade into China from England.

181. Will you explain to the Committee the mode in which the supercargoes buy and sell generally for the Company in China? —Our dealings take place directly with the Hong merchants, who come to the Factory. We partly hear from them the state of the markets generally, and we ascertain from other sources the state of those markets. All the transactions of the Company's servants are confined to the Hong merchants. Indeed the Company is the only legal trader in relation to the Chinese laws at present in China. I mean that all other foreigners are more or less connected with the illicit trade.

182. Are measures constantly taken for the increase of the consumption of British manufactures in China by the Company? —Since I have been acquainted with China, and on reference to the records of the Company, I have found that the subject more than any other which the Company's authorities in this country have urged on their servants in China has been, that they should use every endeavour to extend the consumption of British manufactures in China. I believe that anxiety has not been found wanting on the part of the Company's representatives in China, both from a wish to maintain credit in the estimation of their employers, as well as from a desire to promote the general interests of British manufacturers. If selfish interests can be supposed to enter into the arrangement at all, of course our commissions would increase with increasing extent of sale. The greater the sale the greater our profits. But I believe the anxiety of the Factory to promote the consumption of British manufactures in China originates in superior motives to any arising out of mere selfish considerations.

183. What do you consider the impediments to a great extension of trade?—The limits which the Chinese have set to the foreign trade; their confining it to one remote corner of one of the southern provinces of the empire. The articles which we import into China are carried to the northern provinces through the interior of the country. The Chinese have every facility of internal intercourse by navigable rivers and canals; but such a system is to a certain extent expensive. I conceive, also, the Chinese to have arrived at a very great perfection in their own manufactures, some of which are superior to our own, and existed many hundred years before we manufactured at all: perhaps their manufactures have not advanced in excellence for many hundred years.

184. What articles are imported into China in the shape of raw materials in the ships of the Company generally, and by private persons, from India?—The great import of raw material

18 Feb. 1830.

C. Marjoribanks, Esq.

into China in the ships of the Company from India is cotton from the presidencies of Bombay and Bengal, and a small portion from Madras; there are pepper and betel-nut, and rattans, and articles of that description, which the Company of later years have left entirely to their officers, and is a part of the trade carried on by country ships. The country trade now in China forms, I conceive, a very important branch of the British trade, both from its extent, and from the profits which arise to the persons engaged in it. It is a trade which, I believe, the Company's authorities in China have shewn every disposition to give every assistance to. They never considered that commerce at variance with that of the Company.

185. Generally speaking, have the Company's representatives encouraged to the utmost the import of the raw material?—Yes, they have done all in their power to promote it.

186. Will you explain to the Committee the mode in which the teas are bought for the Company, and how they are examined as to their quality, and their prices arranged?—The most considerable portion of the Company's tea investment is contracted for by the Company with the Hong merchants, in the season previously to that in which the teas are delivered to them. The Hong merchants enter into engagements with the tea merchants, and make to them advances upon those contracts. The tea when it is brought to Canton is submitted to the inspection of the Company's inspectors there, and indeed is subjected to every scrutiny which is supposed to be desirable to ascertain its quality. The Company have, I believe I may say, every leaf of black tea at their option; I mean every parcel of black tea of any value is first offered to the Company, and is submitted to their inspection previously to its reception.

187. Have they an equal advantage in respect to green teas?—We experience competition with the Americans in respect to some of the classes of green teas, and they frequently give higher prices for those green teas than the Company's standard prices. The tea brokers themselves, I mean the green tea merchants, who deliver their teas to the Hong merchants, are a body of men consisting very nearly of 400. They are men of very small capital indeed; the advances are very much made to them from merchants in Canton. Those persons always show a greater wish to deal with the Company than with individual merchants, from the obvious reason that they consider them a more secure and regular customer, a better customer and a better paymaster.

188. The large amount, therefore, of the Company's trade, gives to their agents in China great influence with the Hong merchants?—Unquestionably, and with all the government authorities in any way connected with the foreign trade.

189. Has not this influence been very beneficial to the whole

18 Feb. 1830.

C. Marjoribanks, Esq.

foreign trade of the port?—I conceive the Company's trade to be very beneficial to the foreign trade generally. It has formed a sort of breakwater to that trade; having prevented innovations of the Chinese government, which they are always sufficiently disposed to make upon such privileges as we possess; and having prevented several attempts which have been made to raise the prices of teas, and to levy exactions upon the trade. In some instances, though the trade in China, as far as regards the Chinese, is a monopoly at present, yet the government has endeavoured to make it a still closer monopoly, what they call a Co-Hong, which was to consist of two or three merchants. The prices of imports and exports were to be fixed by the Chinese government, and that those Chinese merchants were merely to be the agents of the government. This, upon one occasion, was not only attempted by the local government at Canton, but it was confirmed by an imperial edict from Pekin, directing it to take place. The Company saw the danger which would arise from so closely restricted a system, and that we should be in the hands of the despots of the country, very much in the same way as we are in those of the Siamese and the Cochin-Chinese, when we attempt to trade with them at present, and they resisted that innovation. The Company's power and influence in China, and their being able to make great pecuniary sacrifices in consequence of delays which took place, enabled them to become successful, and to prevent that attempt of the Canton government to make it a perfectly close and restricted government monopoly, though it was sanctioned by the Emperor's commands from Pekin. I conceive that was one very important occasion on which the Company have prevented, by their power and influence, an innovation upon trade, which must have proved destructive of profits, not only to themselves, but to the foreign trade generally.

190. When did that take place?—1814 was the year in which the discussions commenced; and the previous year the measure had been taken by the government.

191. You stated that the Company resisted; in what way was the resistance evinced?—This attempt to establish a Co-Hong has been made on more than on one occasion; but the occasion to which I particularly allude was during my own residence in the country, in 1814, when an attempt was made to break the junior Hong merchants, and sundry other attempts which I need not detail, because they are upon the Company's records, to destroy the advantages we had in our commerce with China. The Select Committee then came to the determination of stopping the trade, and intimated to the Chinese government that, under such circumstances, all amicable relations between the two countries must terminate. This gave rise to discussions, which continued for several months, involving great losses to individuals, and very considerable inconvenience

18 Feb. 1830.

C. Marjoribanks, Esq.

and loss to the Company; but the result was eminently successful. The junior Hong merchants remained as they were, and the Imperial edict was not carried into effect. I conceive that the Company have been generally useful to foreigners, in gradually doing away a number of exactions. When our ships first went to China they were compelled to submit to numerous inconveniences. The guns were taken out of the ships, the rudders unhung, and they were placed entirely in subjection to the Chinese government; and it was in consequence of the opposition to those exactions that the government were induced to do away with them. Upon all those occasions, I think, when the Company have fought their own battle, they have at the same time fought the battle of the trade in general.

192. Have not the supercargoes occasion frequently to address the Viceroy or other authorities upon subjects connected with the British trade?—Frequently; though of late years, perhaps, they have been more infrequent, because their situation with reference to the government has been much improved. Of late years we have been left much more unmolested than I recollect the trade to have been in 1813, and years immediately following.

193. In what language are petitions allowed to be presented?—It has been a regulation, as applicable to foreign trade, established by the Chinese government, that all addresses to them should be written in the European character. That regulation was made by the government, from a wish to place what construction they pleased upon the addresses which were made to them. In former years that was the case, and at present it exists in every case, except in that of the Company. The Company's representatives are the only persons in China who possess the right, a right acknowledged by the government, of addressing them in the language of China.

194. Is there a knowledge of the Chinese language among the members of the Factory?—Very many of the members of the Factory speak the language of China. Every encouragement has been given to them to acquire a knowledge of it by the Company, in holding forward prospects of certain pecuniary rewards, as well as of approbation of their conduct. In addition, some men possess anxiety for literary reputation; but I conceive a knowledge of the peculiar language of China to have been more materially promoted by Dr. Morrison than by any other individual whom I have ever known in China. He has been interpreter in the Company's employ now for upwards of twenty years; and the great knowledge he has acquired of the Chinese language has enabled him to be eminently successful, not only on the occasion of the last embassy to Pekin, but on numerous others, which are almost daily occurring with the Chinese. He speaks the language almost as fluently as he does English. I believe one of the largest sums which has ever been

18 Feb. 1830. expended upon the publication of a work, has been by the Company, in the publication of Dr. Morrison's Chinese Dictionary, which eminently facilitates the acquisition of the language. I think the expense of the Company in that work could not have been less than £12,000 sterling; and that dictionary is at this moment employed by the Japanese as a medium of translation into their own language. The colloquial language of Japan is different from the Chinese, but they use the same character.

C. Marjoribanks, Esq.

195. Does Dr. Morrison still receive a salary from the Company?—He is their interpreter. I mention Dr. Morrison's name, because I think him eminently conspicuous as a Chinese scholar; and I think the advantages which have resulted from his services have been very great indeed. He went out as a missionary upon his own account at first, with a view to the objects of his mission, which I believe have not been very successful.

196. Are there any foreigners resident in China, as far as you know, who are masters of the language?—There are none of the foreign residents in China who possess any knowledge of the language, if I except the Portuguese padrés at Macao. I am not acquainted with any foreigner at this moment at Canton who possesses a knowledge of the language, except persons connected with the Factory. The resident merchants certainly have not; it is not their business; they go there for commercial purposes; and it is a language which requires almost the devotion of a life to acquire any useful knowledge of it.

197. Have you any means of knowing whether the American trade in China has increased or decreased of late years?—Within the last two or three years the trade has very materially decreased. I have an abstract of the American imports and exports; it is taken from American sources of information, and from this I find in 1825-6 the Americans had 42 ships in China, and that the amount of their imports was 7,700,000 dollars, and their exports 8,900,000 dollars; in 1826-7 the number of the ships was reduced to 26, the amount of their imports was 3,800,000 dollars, and their exports 4,300,000 dollars; in 1827-8 the number of American ships in China was only 20, being less by half than what it had been in 1825-6; in that year the amount of their imports was 6,200,000 dollars, and the amount of their exports 6,000,000; and when I left China in December 1828-9, there had only arrived in China 12 vessels. I have received no later account of the amount of the American trade, nor to my knowledge is there any in this country; but this exhibits within the last few years a very remarkable falling-off in the amount of the American trade to China. I may mention, as confirmatory of that fact, that Mr. Edward Thompson, of Philadelphia, who is the largest ship-owner I have known in the American trade connected with China, who had five or six vessels in China, in his deposition which was laid before Con-

18 Feb. 1830.

C. Marjoribanks, Esq.

gress, explanatory of the deficiency in his payment of duties, stated that he had engaged in the Chinese trade with five or six vessels, with a capital of 800,000 dollars, as applicable to that trade, and that he had himself, as an individual trader, paid a larger sum to the American government in the shape of duties than he believed any other individual; I think he stated 14,000,000 of dollars, and at that moment he said he was a bankrupt. I mention him as being the largest American ship-owner I have known as connected with the China trade. The result of the information which I have derived from the American agents themselves resident in China certainly has been unfavourable to the profits of their trade generally. Some of the American agents have realized money by dealing in opium and by other means, but I believe those that have engaged in commerce between China and the United States, and in later years between China and Foreign Europe, have not been at all successful; in some instances very much the reverse. This estimate exhibits a statement of the American trade from 1804-5 till 1827-8; it was copied principally from the book of an American resident in Canton, but it was derived entirely from American sources, and therefore I imagine it to be correct.

[*The witness delivered in the statement, which was read, as follows.*]

ESTIMATE of the Total Amount and Value of the AMERICAN EXPORTS and IMPORTS.

Seasons.	N° of Ships.	Imports.	Exports.
		Dollars.	*Dollars.*
1804-1805........	34	3,555,818	3,842,000
1805-1806........	42	5,326,358	5,127,000
1806-1807........	37	3,877,362	4,294,000
1807-1808........	33	3,940,090	3,476,000
1808-1809........	8	479,850	808,000
1809-1810........	37	5,744,600	5,715,000
1810-1811........	16	2,898,800	2,973,000
1811-1812........	25	3,132,810	2,771,000
1812-1813........	8	1,453,000	620,000
1813-1814-1815...	9	451,500	572,000
1815-1816........	30	2,527,500	4,220,000
1816-1817........	38	5,609,600	5,703,000
1817-1818........	39	7,076,828	6,777,000
1818-1819........	47	9,867,208	9,057,107
1819-1820........	43	8,185,800	8,173,000
1820-1821........	26	4,035,000	4,088,000
1821-1822........	45	8,199,741	7,058,741
1822-1823........	40	8,339,389	7,523,492
1823-1824........	34	6,315,127	5,677,149
1824-1825........	43	8,962,045	8,501,119
1825-1826........	42	7,776,301	8,949,562
1826-1827........	26	3,843,717	4,363,788
1827-1828........	20	6,238,788	6,559,925
1828-1829........	12 vessels only in China on 1st December.		

18 Feb. 1830.

C. Marjoribanks, Esq.

198. Is it not understood that the senior Hong merchant, Howqua, has embarked in the American trade on his own account?—When I was first acquainted with the trade in 1813-14, Howqua was very considerably engaged with the Americans. At that period, and some years subsequently, I believe the American trade to have been very profitable, at the period when they were acting as carriers to the world generally, when British ships were excluded very much from the ports of foreign Europe; but latterly, for several years, he has entirely withdrawn from his connection with the Americans, solely upon the ground, I believe, of his having found it very unprofitable. I have that information derived from himself, that he found his last speculations connected with the Americans not at all profitable.

199. Do you consider that the Americans purchase their teas on equally favourable terms with the Company?—I think the Company have a decided advantage in the purchase of teas over any other competitor, inasmuch as all the classes of black teas are in the first instance submitted to them; and if they are disposed to give the same prices for green teas as the Americans, I believe the Chinese would infinitely rather deal with them than with the Americans or any other individuals. When the Americans give larger prices, of course the Chinese, proceeding upon common commercial principles, deliver their teas to them when their security of payment is good.

200. Has the price of teas generally to the Company been increased or decreased latterly?—One of the advantages which I conceive to have arisen from the Company's system is, that it has kept the teas at a fixed price. An attempt was made in 1819 and 1820, by combinations of the green tea merchants, and afterwards of the black tea merchants, to raise the prices of teas most materially. In the case of the green tea merchants, it was a very strict combination amongst the individuals connected with the trade; they met together and expressed their determination to maintain their prices. The Company were equally obstinate, and were not disposed to yield to their terms. A considerable delay took place in the sailing of the Company's ships from China, and of course loss to the Company upon demurrage; but the Company's possession of capital enabled them to sustain that loss, and the combination amongst the Chinese tea merchants was broken in consequence, while the Company had the power of punishment in their own hands. They refused to receive the teas, even though of a good quality, from the tea merchants who had been the principal persons connected with this combination, and bankruptcy and very serious losses were the consequence to those merchants of the rejection of the tea by the Company. The Company eventually succeeded in maintaining prices at their former standard. That is one particular occasion which I remember where the Company have main-

tained the prices of teas. An occasion occurred in 1825, where the Company reduced the prices of their contract teas considerably, one tale per pecul; they received the teas at reduced prices, by which a saving resulted to the Company of £20,000 sterling per annum.

201. How much is a tale and a pecul?—Six shillings and eightpence is the conventional value of a tale; and a pecul is 133⅓ lbs. The real value of the tale is not, however, more than 6*s.*; I mean if a tale weight of dollars silver were melted down, it would not yield more pure silver than that contained in 6*s.*

202. Does the American Consul in China possess an efficient control over his countrymen there?—I do not consider at all efficient for the good conduct of the trade: indeed he possesses very little power beyond having the right of administering an oath; and upon some occasions where his power has been called in question, the Americans have made a very unhappy exhibition. Upon an important occasion, which was in 1821, when a seaman belonging to one of their ships was accused of homicide, and where, from every inquiry that was made, the man, I believe, was entirely innocent of the crime imputed to him, the Chinese, as usual, demanded that he should be given up. The Consul, who was a man of much good feeling, resisted that demand; but his countrymen, and the persons connected with the trade, and the captains of the ships, formed themselves into a combination, as it were, against the Consul, and resisted his wishes. The seaman, who was a Sicilian by birth, was surrendered into the hands of the Chinese. I believe this Association of the Americans so far sheltered themselves under the plea that he was not a citizen of the United States, and that they were not compelled to protect him. He was surrendered to the Chinese government, strongly against the private individual remonstrances of members of the British Factory. The select committee, as a public body, was not called upon to interfere in it. The unfortunate man, when delivered up to the Chinese, underwent a mere sham trial. He scarcely spoke English (he was a Sicilian by birth); nobody but Chinese interpreters were present; his hand was covered with ink, and he ignorantly placed the impression of it upon a paper, which was a confession of his guilt. It was expected, as in other cases of homicide, the sentence would be referred to the Emperor for his sanction: instead of that, the seaman, without any intimation, was carried to the place of public execution three days afterwards, and strangled. I believe that is a case which has tended very much to degrade the foreign character in China, and which may have a very prejudicial influence upon the foreign relations in China. I believe the American character, in the estimation even of the Chinese, was very considerably lowered by that act. By it was in some measure subverted the precedent which the British Factory had on several previous similar occasions succeeded in establishing, by strenuously opposing

18 Feb. 1830. — C. Marjoribanks, Esq.

the execution of the merciless and indiscriminating laws of China. I have known one or two individuals, American merchants, in Canton, who were persons of great respectability; but their general mercantile character in China certainly stands very far from high—I mean in relation to their commercial transactions. I ought to state, that the American Consul, who had thus proved the inefficiency of his power, was so disgusted with the proceedings of his countrymen, that he immediately resigned his situation.

203. In the event of the trade being open to British subjects generally, do you apprehend that the appointment of a King's Consul will ensure that respectability which is now given to the chief supercargo of the Company?—I conceive that a person possessing the power of King's Consul alone, unless that power was backed by some other influence, would not be successful in controlling his countrymen there, or regulating our intercourse with the Chinese. My reason for thinking so is, that the Chinese have on all occasions refused to acknowledge any government authority whatever, or any King's officers. Upon occasions where officers of his Majesty's ships have been in China, when discussions have arisen out of their coming into collision with the Chinese, the Company have always requested the Chinese government to communicate with the officers of his Majesty's ships, stating as their reason that they possess no authority over them. The answer of the Chinese has always been, "we acknowledge no authority in China but the Company's Factory, through whom alone we will communicate." When an English admiral was in China, which took place in 1808—when Admiral Drury was conducting his ill-concerted expedition, the same language was held by the government. In former years the Company's Chief did possess the powers of King's Consul. In 1698, indeed, at one time there were two King's Consuls in China, the representatives of rival East-India Companies. I believe considerable advantage would arise from the Company's Chief in China being vested with the powers of King's Consul; not that I think the Chinese would consider his situation changed, but that it would give him a more distinct power, which the representatives of the East-India Company really do not possess, on occasions of homicide, or others, when they are placed in situations of very great difficulty indeed, and when they are left entirely to proceed upon the principles of common sense; but there are no laws made for their protection in China, and no sufficient instructions given for their guidance in very embarrassing situations with the Chinese. I allude to occasions of murder and homicide occurring. Even in cases where they believe there has been murder, they have not the power of examining evidence upon oath; and murder has often to be proved upon circumstantial evidence; they cannot, therefore, unless under the certainty of the crime having been committed,

18 Feb. 1830. — C. Marjoribanks, Esq.

surrender an individual. They are equally required to do so in cases of homicide by the Chinese government, whose law is very indiscriminating upon that subject; their situation, therefore, becomes very embarrassing indeed. The Company's Factory have been told that the necessity of submission to the laws of the country in which they resided might be pleaded as sufficient to justify them in pursuing a different course from what they have done; but they have declined sheltering themselves under such an unworthy plea of justification.

204. Will you be good enough to give the Committee any information you possess with reference to the growth of tea in the interior?—The black tea imported by the East-India Company is grown and manufactured in the province of Fokien, with the exception of about one-third of that sort called by us bohea, which third part is produced in the north-eastern corner of the province of Canton, in a district called Wo-Ping, which gives its name to the tea in question. The green tea is all grown in the province of Kiang-nan, Kiang-si, and Che-Kiang, but chiefly in the two former. The tea-plants of all these provinces are supposed to be of one species; the difference in the manufactured article arising from difference of soil, climate, and manufacture. Green tea has been made in the districts from whence the black tea comes, and *vice versâ*. Some of the buds of the plant in Fokien are picked in the early part of the spring, before they have burst: those form the pekoe tea, the most valuable part of the plant; of which buds a small portion is mixed with the best parcels of congo, to give them a flavour. Pekoe is also brought to Canton unmixed with other leaves. The tea sent to Russia is said to be pekoe, slightly adulterated by the mixture of other leaves. In the beginning of May the leaves are stripped off the plant; a new crop is then thrown out, and picked about six weeks afterwards, and a third crop about the end of the summer; the two first pickings are the best, and nearly equal in quality. The third crop of leaves yields tea of little strength and inferior flavour: hence the best crops are composed wholly of the choice leaves of the two first gatherings, with a small sprinkling of the buds or pekoe. The inferior crops contain a larger share of the third pickings, and none of the pekoe. The black tea in Fokien is said to be cultivated largely by cottagers in small plots of ground or gardens. The leaves are picked by the family, and are immediately carried to market, where persons, whose business lies in that line, collect quantities of them, and manufacture them in part, that is, expose them to be dried by the wind under the shade, and afterwards to be further dried in a heated warehouse. The persons whom we call tea merchants, and the agents of the Hong merchants, come to the tea districts, and purchase from the men before-mentioned quantities of the dried leaves of the first, second, and third gatherings, discriminating the leaves of young and old plants, of those grown in well-known favourable spots, &c. &c.

18 Feb. 1820.

C. Marjoribanks, Esq.

They then complete the drying process, according as it may be requisite, and employ women and children to select the hard, the best leaves, with more or less discrimination, according to the object of making very fine, middling, or common tea. The tea is made into parcels of from 100 to 600 chests each, with a distinctive name to each parcel and conformity of quality, where the tea merchant acts honestly; hence those parcels of tea which, under certain Chinese names, have proved in a series of years of excellent quality and similar characters, and which are greatly sought after at the London sales, are not the produce of any particular farm, but owe their character to the skill and good faith with which the tea merchant or the Hong merchants' agent have executed their commissions in selecting only superior parcels of leaves in the market of Woo-y-shan. Green tea is brought from the three provinces above-mentioned. Like the black tea, the different classes are formed by selecting the better from the inferior leaves after they have been dried; the light leaves, separated by a winnowing machine from the heavier, form hyson skins; much of the skins of twankay are told as hyson skins. Copper is never used in making green tea. The blooming appearance of hyson, gunpowder, &c. is said to arise from the effects of carefully roasting the leaves in iron vases placed over a fire, and by rubbing them against the sides of the vessel; in this process with the green teas much skill is requisite; and there is a class of persons who are hired by some of the tea merchants to superintend their respective manufactories. The bohea tea is composed partly of the lower grades of the Vu-y-shan tea, which has been left unsold after the departure of the last ships of the season, and partly of the tea grown in the district of Canton called Wo-Ping. The green tea merchants who come annually to Canton are supposed to be very numerous, about 400, many with very small adventures; the black tea merchants are fewer in number, but it is believed that there is not one of either party sufficiently provided with funds to be able to trade on his own capital. The Hong merchants advance the tea merchants from 2,000 to 3,000 tales per chop of congo or twankay, by which means the article is procured; formerly, that is until about 1814 or 1815, the East-India Company had for a long period themselves advanced such sums as those above stated to the Hong merchants, by whom the money was transferred to the tea merchant. The plan was abandoned, because partly it was found in a great degree to compel an acceptance of the tea provided, whether good or bad, as the only means of recovering the loan; and partly from a desire to lessen as much as possible the extent of the East-India Company's property at risk in China. The richer Hong merchants each send a purser or clerk to the black tea country to manufacture for them a few chops of tea, which usually prove the best of the investment; and they assert that these first class teas do not pay them profit in

proportion to the inferior sorts, and that they continue the partial manufacture of the former only to satisfy the Company's earnest demand for them, and in consideration of the larger share of business allotted to them. In an open trade these motives would not exist.

18 Feb. 1830.

C. Marjoribanks, Esq.

205. Will you inform the Committee of the mode in which the woollens from this country are disposed of to the Hong merchants?—The woollens are disposed of to the Hong merchants under very favourable circumstances as regards charges, inasmuch as what the Hong merchants call the Consoo charges, which are the charges arising out of the operations connected with the expenses of their own Hongs, are not levied upon our manufactured woollens at all. They are, in the first instance, delivered to the Hong merchants, who have upon all occasions, since I have been acquainted with them, declared that they sustained losses upon the Company's woollens, and they only consented to receive them on consideration of the large purchases of tea made by the Company. Through the influence of the Hong merchants, the tea merchants are induced to receive a considerable portion of those woollens in payment of the teas received from them; and by that means, I believe, the woollens find their way into the interior of the country with greater facilities than they could otherwise do.

206. Is there not that confidence in the Company's mark, that a bale of goods so marked will go all over China?—I believe that has been proverbial for many years; and I believe not only upon the Company's mark, but the Company's seal, whenever that is affixed, they consider it a pledge of safety and security. I may say the same of the word of the Company's servant passed on matters of business; no written engagements are required. "It is enough if it is in the Company's book," has been the common answer of a Hong merchant, when large sums have been owing to him, sometimes to the amount of half a million sterling.

207. Do you apprehend that a bale of goods which had not the Company's mark would experience the same ready transit, and have the same security attached to it?—It would not be received without examination and measurement.

208. Do you believe that a supply of tea could be obtained by the consumers in this country at a cheaper rate than it now is, if the trade were thrown open?—I conceive, with reference to what I have stated as to the competition that would ensue among individuals of the British mercantile community, in the markets of Canton, one of the immediate results of that would be to raise the prices of teas. It might be supposed that that might be met by an increased manufacture of teas. As far as green teas are concerned, we know that cannot be, for we have never received green teas enough; there has been an increasing demand for green teas, and not a proportionate increased supply. With respect to the better classes of black teas, for the

18 Feb. 1830.

C. Marjoribanks, Esq.

reason which I gave in a former answer, that the Hong merchants derive little or no profit upon them, I think they would not be produced; probably their production would discontinue; but the inferior sorts of black teas might, I have no doubt, be increased in quantity if there was a decidedly increased demand for them. I conceive that the increase of quantity could only be accompanied by a corresponding deterioration in quality. From every attention I have given to the subject, I believe that, so far as the Company's purchases of teas in China are concerned, and the charges upon them there, tea is supplied by them to the English consumer cheaper than it could be under any other system.

209. Were you a member of the select committee at Canton?—I was.

210. Will you be good enough to state to the Committee if you know in what other articles, besides opium, the smuggling trade is carried on upon the coast of China?—I conceive that at present it extends to articles, more or less, of every description; not on the coast of China, but among the islands in the mouth of the Canton river.

211. Articles of British manufacture?—I am not aware of any individual instance where smuggling of articles of British manufacture has existed; but I know nothing to preclude it.

212. Can you state what were the articles of British manufacture imported by the Americans on which you stated that you supposed a loss had been sustained at Canton?—I understood from American agents at Canton, that losses had been sustained by their imports into Canton, both on woollens and on cotton piece-goods imported in American ships.

213. Has there been, during the period of your residence there, any suspension of the commercial intercourse between the Chinese and all British subjects trading to Canton?—There has.

214. Will you be good enough to state on what occasions that took place?—The first serious one was in 1814.

215. How did that originate?—It arose immediately from the act of the Company's representatives themselves, who suspended the trade in consequence of the conduct of the Chinese government towards them; in consequence, as I think I have stated, of an attempt to establish a Co-hong system; in consequence of our ships being fired at; natives in our employment being seized and punished; and in consequence of acts which showed an hostility on the part of the Chinese government to such an extent that our amicable relations could not be continued; and the Select Committee, under these difficulties, themselves intimated to the Chinese government the necessity of suspending the trade.

216. When you speak of the Company, you mean the Factory?—I mean the Company's representatives.

217. How long did that suspension continue?—It continued

for a considerable time. I cannot say the precise period, but I believe about two months. 18 Feb. 1830.

C. Marjoribanks, Esq.

218. Did it extend to all British ships at Canton?—In the first instance there was a disposition on the part of the country trade at Canton to consider their separate interests. The Select Committee's reply to them was this, that in cases where the Company's individual interests alone are concerned, we do not wish any other persons to be involved; but in cases which concern the interests of the British trade generally, if a measure has been taken by us to produce an influence upon the mind of the Chinese government, we must make that measure as operative as possible; and under those circumstances they suspended the British trade generally. It was a strong measure, and was very naturally objected to by individuals who were suffering inconveniences from losses they sustained. Some were very clamorous; but the Select Committee, who were exercising what they considered a public duty, were not deterred from the performance of it, and the trade was suspended in consequence. An interruption took place for, I think, two months. Mandarins were deputed to negociate with the Company's authorities at Canton; and the result of that negociation was, that the principal points on which the Company insisted were conceded to them, and the trade restored to its former footing. I may mention this, which occurred in 1814, as, I believe, the only instance upon record, as far as I can speak, where the Chinese government consented to enter into what may be considered a treaty with any foreign representatives.

219. Will you be good enough to state the next occasion on which a suspension took place of all commercial intercourse between the Chinese and the British?—I think no other occasion occurred till the year 1820, when I was absent from China, when a Chinese was accidentally shot by an officer belonging to one of the Company's ships.

220. Was the suspension an act of the Chinese government, or of the Company's supercargo?—Of the Chinese government on that occasion; they demanded the life of the individual, and the Committee would not surrender him.

221. How long was the trade suspended upon that occasion?—For a very short period; my recollection is, that it was only for a few days.

222. How did it terminate?—The result was of a very peculiar nature. The day that the Chinese was found killed, a butcher, belonging to one of the Company's ships, had committed suicide; the Hong merchants heard of the circumstance, and said that it was a very extraordinary thing that this suicide should have immediately followed the murder of the Chinese. There was no anxiety upon the part of the Chinese government then to enter into collision with the English, and still less anxiety on the part of the English to enter into collision with them.

18 Feb. 1830.

C. Marjoribanks, Esq.

The Hong merchants were anxious that no differences should arise; they mentioned the above circumstance to the Chinese government, and it was eagerly seized by them. A deputation of Mandarins was sent to the Company's ships: they examined the evidence of one or two sailors upon the subject, who I believe said that they thought it was very extraordinary that the butcher should have died the same day as the Chinese, and the deputed Mandarins determined that the butcher was the murderer.

223. You have adverted to the nature and extent of the country trade; can you state the probable amount of tonnage employed in the country trade from the different ports in India to Canton?—It is in the public statements laid before Parliament. I have of late years seen about seventy country ships in China annually.

224. Do you think the extent of tonnage employed in the country trade is more or less than that employed by the East-India Company in the port of Canton?—Some years ago we used to consider the whole British trade as nearly divided; the Company's trade used to be about 20,000 tons, and the country trade about 20,000 tons; of late years the Company's trade has fluctuated. In 1827 the Company's tonnage was about 37,700 tons, and in that year I consider it was beyond the country trade. I am not prepared to state what the amount of the country tonnage is, but it is very considerable, and I consider it a very important part of the British trade to China.

225. Do you conceive the country trade has been increasing during the period of your stay in China?—I do. This has chiefly arisen from the enormous increase in the consumption of opium by the Chinese, who now give some 10,000,000 or 12,000,000 of dollars, for what can only be considered a poison.

226. How is the country trade carried on; is it carried on through the interference of the Company's servants at Canton?—The commercial transactions are carried on perfectly distinct from those of the Company. The persons connected with the country trade have often, when steps have been taken by the Committee which involved their interests, raised objections; but upon occasions where difficulties have arisen, where the persons connected with the country trade became involved with the Chinese, they generally have applied to the Company's authorities. One occasion I remember, when I was last in China. A country captain in 1826 arrived from Whampoa, and mentioned that a Chinese had been killed on board his ship. The Select Committee immediately upon hearing this, instead of waiting till the report reached the ears of government, sent a deputation into the city, and stated that a Chinese had been killed on board a country ship, whose death they considered to have arisen entirely from accident. From the manner in which

that statement was made, the Chinese expressed themselves satisfied. I believe that is one occasion in which, if the Company had not interfered, the country trade might have been involved in serious difficulties. I remember other instances in which the Company's interference has been called for to protect the interests of the country trade. It is going too much into detail to mention those instances. I remember one occasion particularly, where an attempt was made by officers of the Chinese government to search the country ships lying at Whampoa, which it was considered would be a very serious matter were it ever submitted to. The persons connected with the country ships applied to the Company, who immediately interposed their influence, and prevented a search taking place.

227. Are the Committee to understand that the country trade is conducted at Canton by commercial agents, or commanders of the country traders, without the intervention of the East-India Company's servants at all?—The operations of buying and selling are; but on occasions which involve protection, or which involve rights, the members of the British mercantile community apply to the Select Committee, as the only authority that is likely to obtain them redress. They have not the means of addressing the Chinese government, except through the medium of the Hong merchants.

228. Have the Select Committee the means of communicating with the Chinese government, except through the medium of the Hong merchants?—The Select Committee are the only foreign residents who possess the right of addressing the government in the Chinese language. When their addresses are sent in to government, they are sent by the Hong merchants; but they are sealed with the Company's seal, and delivered in an unbroken state into the hands of the government.

229. Are you aware of any instance in which a personal interview has been given by the Chinese authorities at Canton to any of the Company's servants?—Several.

230. Upon what occasion?—There have been occasions when the Viceroy has accepted entertainments on board the ships of the Company, which is the strongest case that could occur. When the Imperial Legate accompanied the embassy from Pekin, who is a still higher authority than the Viceroy, he came to the Company's Factory and dined with us.

231. Did he come down to meet the ambassador?—He came in attendance on him; but there are numerous instances where the Company's records exhibit statements of personal conferences with the officers of the Chinese government.

232. The question applies to the time of your own personal knowledge, during the time you were in China, whether during that period you are acquainted with any personal interview having been granted by the Chinese authorities to any of the

18 Feb. 1830.

—

C. Marjoribanks, Esq.

Company's servants on business?—Upon occasion of announcing the embassy, a deputation of the Company's servants waited on the Viceroy, and announced to him the embassy personally. We conceive it generally better, in consequence of the rigidity of the Chinese forms, to carry on our communication with the government as much as possible by correspondence; but some of the Chinese, high in rank, frequently come to the Company's factory and accept of entertainments: they are received on friendly terms. On such occasions we avoid business; for the Chinese conceive there is great want of taste in speaking to them about points of business, if you ask them to your house. Much want of tact has been shown on some occasions by foreigners, who have marred the good-will and civil disposition of their guests by very ill-timed and unseasonable applications.

233. Was the interview upon that occasion, with reference to the embassy, connected with any part of the commercial affairs of the Company?—Of course it was not; he was the King's authority sent to the country, and as such he was announced.

234. Were there any commercial matters touched upon at the interview?—I believe it would have been considered highly indecorous if they had been alluded to.

235. Have the Chinese authorities admitted any direct intercourse with the servants of the East-India Company on commercial matters; or are not all communications carried on through the Hong merchants or through the linguists?—Unquestionably not. I think I have stated, that in 1814 a deputation of Mandarins was sent to the Factory for the purpose of adjusting the differences with the Company. The Mandarin deputed was a person of very high rank, and he came to the Factory on several successive days, and discussed the various points till the necessary arrangements were made. There are numerous other instances where we have had intercourse with them.

236. Was he a member of the Canton government; was he a Viceroy?—He was deputed by the Viceroy; he was a man of very high rank.

237. Are you aware of any application having been made by the Select Committee for an interview on any commercial matters or business of any kind?—I speak of that case in 1814 as being intimately connected with the commerce of the Company. On minor occasions, if there are differences, for example, about landing cargoes from ships, the Company's servants consider it much better to avoid requesting an interview upon such occasions, and send their addresses to the Hoppo, who is the head of the Customs. I believe men in high official situations in China, as elsewhere, would consider it a very great inconvenience

if personal interviews were demanded on occasions of minor importance. 16 Feb. 1830.

C. Marjoribanks, Esq.

238. Are you aware, at any period during your residence in China, of an application having been made by the Select Committee, or any of its members, for an interview with the Viceroy of Canton or any constituted Chinese authorities, on the commercial affairs of the East-India Company?—I think this in 1814 was a demand which comes under the description contemplated in the question; it was a demand for an interview, and an adjustment of their commercial relations. There have been, however, several other occasions.

239. How was that application answered?—By the deputation of a Mandarin, a man of high rank.

240. What took place with that Mandarin who came to the Factory?—There were other Mandarins who came with him, and the affairs in discussion were satisfactorily adjusted.

241. The Chinese answered that demand by sending a deputation of Mandarins to the Factory?—Yes.

242 Are you aware of any instance in which any of the sailors in the ships carrying on the Indian trade to China, or any of their supercargoes, or any one connected with them, conducted themselves at Canton in such a manner as to occasion any interruption to the commercial intercourse between the Chinese and the British flag at Canton?—The India ships are manned by native sailors almost entirely, who are very different indeed from our English sailors.

243. Are you aware of any interruption having been occasioned between the Chinese and the British, by any of the crews of the ships carrying on the trade between British India and Canton?—Not during my residence. I have known instances which I have seen upon the Company's records. The Lascars are a very inoffensive people, who would submit to insults of different kinds. They have none of the bold intrepidity, or careless and reckless character of English sailors. I think the extraordinary matter is not that so many differences have occurred with the Chinese, but that so few have occurred, which I attribute very much to the excellent discipline of the Company's ships, and the character of the officers by whom those ships are commanded.

244. Are the sailors of the Company's ships permitted to visit Canton now on liberty?—No.

245. Are the crews of the country traders, the Lascars, permitted to visit Canton on liberty?—I have seen a great number in Canton very frequently drunk in the factories.

246. But you are not aware of their having occasioned any disturbance to call for the interference of the Select Committee, or to occasion any interruption to the commercial intercourse between the Chinese and British flags?—No.

18 Feb. 1830.

C. Marjoribanks, Esq.

247. You have adverted to the period when Admiral Drury was in China; were you there yourself at that time?—No, I was not; it was in 1808.

248-9. You stated that the Chinese refused to hold any intercourse with Admiral Drury, because he was not a servant of the Company, being a King's officer, whom they did not acknowledge,—do you state that as a fact?—I state that as a fact. It appears in all the Chinese proclamations I have seen relative to the expedition to take possession of Macao, that the Chinese, when applied to by Admiral Drury, said, we acknowledge no authority but that of the East-India Company. The Select Committee said, the Admiral is a distinct authority, over whom we have no control. The answer of the Chinese was in very violent words, saying that the men-of-war came there, and took ships off their coast, and they did not wish to have their visits; and they had now come and taken possession of the island of Macao; and that till Admiral Drury withdrew from Macao, and till the troops were re-embarked, they would hear nothing.

250. Are you aware that, upon that occasion, Admiral Drury came up to Canton from the second bar, where his ship was lying, for the purpose of having an interview with the Viceroy, having been promised by the Hong merchants that the Viceroy would see him?—As to the promise of the Hong merchants that the Viceroy would see him, that I cannot speak to. I should be disposed to question the fact; but I have a perfect recollection of these two instances, and I have very deeply lamented them; for I think the expedition of 1808 is one of those unfortunate occasions in which the English character has been exhibited to very little advantage in China. Admiral Drury came up to Canton and insisted upon an interview with the Viceroy. The Viceroy refused him that interview, when he sent an intimation to the Viceroy that he would be in his palace in the city in the course of half an hour. The Viceroy declined a visit offered in such unusual terms, and said he should not come, but that he must go back to his ship. Admiral Drury did not persevere in his expressed intention, but returned to his ship. He, on the second occasion alluded to in the question now put to me, ordered the boats of his own and the Company's ships to be manned and armed, and to proceed up the river and break through the line of Chinese vessels which were moored across from one bank to the other. Admiral Drury pulled up in his boat in front of the Chinese line, to address the Chinese admiral, through the medium of a Portuguese padré, who acted as his interpreter, and who at that moment was very much disinclined to such a duty. After being fired at for some time, one of Admiral Drury's men was wounded, when he ordered the signal to be made for the boats to attack. The signal was not observed, and was ordered not to be repeated. He then declared his intention not to force the Chinese line, and returned with the boats under his command to the ships. I believe Ad-

miral Drury was a man of courage undisputed, but that he was destitute of that cool and deliberate judgment which was essential to the success of such an undertaking as that entrusted to him. The Company's chief in China at that time expressed his approbation of Admiral Drury's conduct in not forcing the Chinese line; but I am disposed to think that that attempt ought never to have been made, or that the end in view should have been accomplished. There is nothing in our whole intercourse with China so necessary as to keep our ground when it is once assumed. The expedition ought, in my opinion, never to have been undertaken.

251. Are you aware that upon that occasion we gave up the whole of the ground we had taken possession of?—I think it is one of those lamentable occasions in which the English character was exhibited to great disadvantage in China. A pagoda was built by the Chinese upon the occasion, to commemorate the victory they had obtained over the English admiral: they cannot afford to lose an opportunity of that sort.

252. How long was the trade interrupted at that period at Canton?—I was not in Canton at the time. I can only speak from information I have derived from the Company's records, but I should say six months.

253. You have stated that the principal import of raw material from India to China is cotton; are you aware whether China does or does not produce a great quantity of cotton itself?—It does a very considerable quantity of native cotton; the cotton from which nankeen is manufactured is a cotton which I believe is peculiar to China.

254. Can you state the probable quantity imported into China from British India?—The estimates of trade which are annually laid before Parliament shew much more accurately the quantity than I can speak to from recollection.

255. Will you be so good as to state how the Dutch conduct their business in China; is it a free trade, or is it a company's trade?—It has existed as a company within my recollection, but I believe at this moment it is a free trade. There was lately a Netherlands Company established, but I do not know to what extent that company proceeded. There are two resident supercargoes there, and a consul; and I think the Dutch, within the last few years, have had about three or four ships in China annually.

256. Are you aware that the Dutch trade with China is now entirely an open trade; as much so as the American or any other trade; and that the Netherlands Company is merely a commercial company having no peculiar privileges in the China trade?—I understood that upon the dissolution of the old Dutch East-India Company the trade was then thrown open.

257. How is it conducted in Canton?—By resident agents.

18 Feb. 1830.

C. Marjoribanks, Esq.

258. Does that resident agent do the business of individuals? —I believe the Dutch consul is permitted to engage in private business.

259. Do not those who trade between the Netherlands and China carry on their trade with such agents, and in such manner, as they think most for their interest; are they restricted to any particular agent in Canton?—I do not know what regulations may exist in Holland as to that point; but as far as I have seen their transactions in China, I am not aware that they are restricted. I do not speak from accurate knowledge of the fact, but I believe a Dutch ship may be consigned to a British resident agent in Canton.

260. Then, in fact, they may carry on their business in such manner as they please?—I believe they are not restricted by the government in Holland.

261. Do the French send any ships to China?—Of late years, I think, we have had one or two small ships annually.

262. Do the Swedes and Danes, or any other European nation, carry on any trade with China?—The Swedes and Danes formerly had larger ships in the trade than the East-India Company; but now the trade has ceased almost entirely.

263. Do the Russians trade with China?—The Russians are excluded from the trade at Canton. During the time I was there, one Russian ship came, which was excluded, upon the ground that the Russians possess a trade by land, and that it was not desirable to admit them to trade by sea.

264. Do not some of the Mediterranean ports trade to China? —I remember what was called the Austrian frigate, but she was a trading ship in China.

265. Is there any Austrian factory?—No, not now.

266. Is there any trade with the Brazils?—Some trade does exist between Macao and the Brazils, but I believe latterly to a very inconsiderable extent. The Portuguese at one time at Macao possessed a very lucrative trade.

267. Are not those several trades that have been mentioned all carried on without any particular company existing at Canton; are they not all free trades carried on at the will of the persons transacting them?—Of those that have been mentioned there are only two now existing deserving the name of trades, and these are inconsiderable; *viz.* the Dutch and Portuguese; the latter of whom have never traded to the port of Canton, but who carry on trade direct from Macao. Some Swedes are still resident in China, but they have little or no commercial intercourse. The Dutch have certainly a trade, and the number of their ships annually has been, I believe, about three or four, of 600 or 700 tons.

268. Have the Dutch got into any difficulties with the

authorities at Canton?—Not of late years; but in former years, certainly. 18 Feb. 1830.

C. Marjoribanks, Esq.

269. Within the period of your residence there?—During the first period of my residence there the Dutch did not enter into the trade of Canton; the Dutch supercargoes remained in China, and their salaries were very regularly paid in Paris. Until the declaration of the independence of Holland they had no trade, and I think they did not send any ships to China till some years afterwards.

270. You are aware that the Dutch China trade was formerly an exclusive monopoly like our own, but has been entirely thrown open since the last war?—I am aware of that fact; but I understood the dissolution of the Dutch East-India Company had arisen from their very embarrassed situation.

271. Since the trade has become a free trade, has any particular difficulty arisen with the authorities at Canton in carrying it on, within your recollection?—No; it has been to a very limited extent.

272. What does the British Factory consist of; how many persons?—We have twenty, consisting of a Select Committee, supercargoes, and writers; and besides that, there are an interpreter, two tea inspectors, two surgeons, and a chaplain.

272 (*a*). Of how many does the Select Committee consist?—Sometimes of four, sometimes of three; at present it consists of four members.

273. The business, it is presumed, is conducted by the Select Committee, and the remainder are clerks in the execution of the business?—Very much so.

274. Do not the gentlemen of the Factory and the Company's servants reside only a small portion of the year at Canton itself?—Yes, six or seven months.

275. Is it not the fact that the Chinese government do not permit them to remain there the remainder of the year?—There is an old Chinese law that foreigners should leave Canton at the expiration of what is considered the shipping season; but it is a law that has fallen very much into disuse. The Company's servants themselves very frequently go to Canton during the summer months, and they have had ships loading during the summer months; and some of the British merchants reside there the whole year.

276. Do they ever permit you to come into the town?—They do not allow us to go within the walls of the town.

277. But you are confined to a small suburb for the transaction of the business?—Yes.

278. What other British residents are there besides the Company's factors?—There are some mercantile houses, some of the members of which are men of very great respectability.

279. Is that a new state of things, or have there always been

18 Feb. 1830.

C. Marjoribanks, Esq.

independent houses there?—There have always, within my recollection, been houses established there. There are more agents now than there used to be, but they are not all men of the same credit and character.

280. Does the Factory consider itself as having any authority over the English merchants settled there?—So far as appears by reference to Acts of Parliament, I think the Company's authorities have a right to interfere with the residents there, in case of their conducting themselves in a manner to injure the general interests of trade. That authority has been rarely exercised by the Committee.

281. Do you consider yourself as having power to send persons away?—It is not very clearly expressed; but I think the Company's authorities would exert it if they saw that British interests required it. As far as my views of the Act go, I think they would be borne out by it.

282. Can you refer to the Act of Parliament which you suppose to give you the authority you mention?—I cannot immediately refer to it by its title.

283. Do you suppose it to be derived from the charter of the India Company granted by Parliament?—It is an Act of Parliament; whether it is a separate Act, or a clause of the charter, I cannot say. The Act, as far as I remember, gives the Company's representatives control over British subjects trading to the Emperor of China's dominions.

284. Will you be so good as to state who transacts in China the English private trade that goes from India; is it done by the independent houses you have mentioned, or is it in any proportion done by the Company's servants?—At present not by the Company's servants at all; in former years it was.

285. Are the Company's servants prohibited from engaging in it?—They are now prohibited from being connected with private agency.

286. So that the private agency is entirely in the hands of independent houses?—Yes, and in the hands of supercargoes, many of them Parsees, and captains of ships.

287. In fact, the private traders put their business into whose hands soever they please?—Yes.

288. You have stated that the houses that are established are very respectable, and quite capable of transacting business of that description?—Unquestionably, they are houses of great respectability. There are men who are members of those houses who are men both of character and credit, sustaining the character of British merchants respectably and properly.

289. You have stated that the smuggling trade in China has become very extensive; has not the increase of that smuggling trade a tendency very much to injure the fair trade?—I think it has a tendency to do so, in as far as articles smuggled into

the country that evade duty can be sold at a profit, when articles which pay government duties cannot.

290. Is not the opium trade in China, which you state to exist to the extent of 13,000,000 or 14,000,000 of dollars a year, entirely an illicit trade?—Entirely prohibited by the Chinese government.

291. Is it not, therefore, a trade in which the India Company, through its servants, can take no interest whatever?—The Company, I think, are interested in the trade so far as regards the Indian revenue. They prohibit their servants in China from having any connexion with it.

292. Would you not consider it as derogatory to the character of the Company for its servants to be extensively interested in the smuggling trade of the country?—The Company have always professed to be legal traders in China, and to conform to the established laws of trade in China.

293. Does not a considerable portion of that high character which you state the Company to bear with the Chinese government, arise from their conviction that the Company would not meddle with a trade of that description?—I think it does.

294. But if the tendency to the smuggling trade is suffered to increase to any great extent, would not the Company, in consequence of debarring itself from that species of trade, carry on a much smaller portion of the general trade of China than might be carried on by persons who have not the same scruples? —The two distinct trades are transacted with two distinct classes of people: one the legal merchants; the other, persons who are disclaimed by the government, and declared to be illicit traders.

295. While the Company carry on the one trade, which you say is independent of the illicit trade, are not the subjects of this country in a great measure debarred from entering into that other trade which is open to the rest of the world?—The subjects of this country are the persons who derive the principal profits from that trade, who are the British agents in India, and the persons immediately connected with the opium trade. I conceive the country trade to form a very important branch of the British trade; and I conceive that trade to exist under the protection of the Company's trade, inasmuch as if there were no legal traders in China, which I have stated the Company to be, I think it would remain a question with the Chinese government, how far it would submit to be deprived of its revenue, and whether it would not be induced to take very strong and very precipitate measures, perhaps, for the exclusion of foreigners altogether from its ports. The Chinese attach a value to the foreign trade; yet there is no country in the world so independent of it, from its successful agriculture and extensive inland commerce.

296. Do you think it is possible that a country having enjoyed

18 Feb. 1830.

C Marjoribanks, Esq.

for so many years an immense foreign trade as China has done, by which it has exported to such an extent its domestic produce, could suspend, without a total destruction of its internal economy, that trade with foreigners?—The power of that suspension rests with the Imperial government of Pekin; and, as I have stated, I believe the revenues coming direct into the Imperial treasury from the foreign trade are not large, they have therefore no distinct interest in the trade. How far the Imperial government at Pekin would be induced to consider the general interests of the country I am not prepared to say; for the Chinese government acts upon principles so diametrically opposite to those which regulate the governments of civilized Europe, that it would be difficult to hazard an opinion of what might be the result of such a state of things as that contemplated.

297. Has not the Chinese government, in its conduct towards foreigners who have attempted to fix themselves in their harbours, shown itself a shrewd government, acutely understanding its own interests?—I think that the Chinese are a highly intelligent people, remarkable for their industry and perseverance; but I think they are oppressed with one of the most corrupt governments that ever weighed down the energies of a people.

298. You stated that the Company have been exporting woollens to China at a loss, and that it has been a losing trade? —In the years from 1819-20 to 1828-9, the average invoice of woollens imported into China from England has been £821,680 per annum; therefore, notwithstanding the very heavy losses previously sustained for the twenty-six preceding years of £64,000 per annum, the imports of the Company into China have not been lessened more than about £125,000 per annum. The Company's average loss at present has, I think, been reduced to about £17,000 sterling per annum upon their general investment.

299. Have you any doubt of the fact, that the woollen trade of the Company is a losing trade?—It is so at present, and has in former years been still more so.

300. Does the statement you have made include the freight and all other expenses?—As far as freight is concerned, the woollens have been exported to China under very great advantage; for I believe it will be found that a comparatively very small charge for freight has been made by the Company on British exported manufactures, with a view to facilitate the consumption in China.

301. As the article of tea, which is brought from China, is a very bulky one, it is presumed that the freight of any manufactured goods sent out cannot be very important, as the China ship would otherwise go nearly empty?—That would depend upon how it is charged; but the Company have always gone

upon the principle of making a very small charge of freight upon English manufactured goods. 18 Feb. 1830.

C. Marjoribanks, Esq.

302. Are you aware that the price of cloths sent out to China has in this market been reduced more than one-half?—I have been told so; I have no knowledge of the prices of cloths in England.

303. Are you aware that for some years past foreigners have been carrying on a considerable trade in those very woollen goods from this country to China?—I have understood that some American ships have cleared out from Liverpool and from London to China.

304. Are you aware that it appears in the Papers before Parliament for the last three years, that the Americans have taken out between 800,000 and 900,000 dollars' worth of woollen goods to China?—I have seen the statements made: I have no means of acquiring knowledge as to their accuracy.

305. Do you suppose that they would have continued that trade so steadily as it appears to have been continued, without its having been a profitable one to them?—I do not know whether those manufactured articles are the property of American merchants, or whether they are the property of British merchants. If they are the property of British merchants, who have no means of disposing of the manufactures except the hazard of a distant market, I think they might be disposed to embark in a speculation which even had not answered before, rather than keep their goods on hand.

306. Would not the British merchant be prohibited by law from having any interest in a trade of that description?—I do not know.

307. If it should be shown that the American has been carrying it on for his own account, and that that trade has been steadily going on for some years past, is it not presumable that it has been a profitable one?—I am not disposed to think so, from having received other information from American agents in China, who told me that their consignments from this country have generally been unprofitable.

308. If it should be the case, that the American or foreign merchant has carried on a trade of this description with profit, when the Company have been carrying it on with loss, would not that prove that their trade has been, in this article at least, better conducted than that of the Company?—It might not prove that it was better conducted, for it might arise from the circumstances I have stated, of some of those goods having been smuggled into China, having evaded the Chinese duties.

309. If the tendency of the trade in China is to get into the smuggling line, will not the Company, acting upon different principles, and being from its circumstances unable to enter into that trade, be a disadvantage against persons who have no scruples

18 Feb. 1830.

C. Marjoribanks, Esq.

of that description?—If the question put to me contemplates the subversion of the Company, I think we should be all smugglers in China together, and there would then be no legal trade in China. I do not know how far the Chinese would submit to that. The ultimate result would, in my opinion, be very prejudicial to British commercial interests, of which I consider the Company's to be only a part.

310. Will you have the goodness to explain what you mean by legal trade in China, when you say that if the Company cease to trade as a Company there would be no legal trade carried on there?—I applied the term legal trade to transactions in China, and I use the term in relation to the Chinese laws, from the circumstance that the English laws do not extend to China at all; and therefore the term legal trade, as applied to the trade in China, can only have reference to the laws of China. When I speak of legal trade, I speak of a trade conducted in conformity to the laws of the country, whether those laws have reference to residents or to their commercial transactions.

311. Is there any reluctance on the part of the Hong merchants to trade with individuals?—Certainly not, with individuals of respectability and credit.

312. You have stated that the black teas are generally offered first to the Company, and that of the green teas the Americans have frequently the first option?—I stated that the Company have the pre-option of all black teas. With respect to green teas, they are submitted to the Company's inspection also, and to their choice; but a competition enters on the part of the Americans with the Company in the article of green teas. On some occasions, the Americans being disposed to give higher prices than the Company, they get the teas; but the tea brokers always express a wish rather to deal with the Company, upon the principle, that they consider the Company's security better than the security of an individual.

313. Upon what credit are the purchases made from the Chinese?—There are no regular periods of payment. The teas are generally paid for in the course of the season; sometimes earlier, sometimes later.

314. You are not in the habit of being in debt to any considerable extent to the merchants there?—The Company, for several years past, have insisted upon their servants keeping a clear account with the Hong merchants, in all matters connected with the Company's interest. Upon a late occasion which occurred of the bankruptcy of a Hong merchant, the Company were creditors to a very trifling amount.

315. Does not the preference you have had in the black teas arise from the circumstance of your being much the largest customers for that description of tea?—The best customers and the best paymasters.

15 Feb. 1830.

C. Marjoribanks, Esq.

316. Do not the Americans carry on trade in small vessels? —Yes, they do. I think the average I have made, upon looking at the American tonnage, has been in vessels from 280 to 300 tons.

317. Are not the expences of the port very heavy?—Yes, they are; and they fall much heavier upon small ships than they do upon large ships; and consequently it was found much better by the Swedish and Dutch to have large ships, as well as from their superior adaptation to a tea cargo.

318. Can you give a detail of all the charges made upon a ship of 600 tons, including fees and all disbursements?—The duties upon a Company's large ship are about 4,300 tales. The port duties on a smaller ship are, comparatively with its extent of tonnage, much heavier.

319. Is not that portion of the port charges called a present, the same on all vessels, great and small?—It consists of 1,950 tales, and is the same upon large or small ships.

320. Does not that give a very considerable advantage to the Company's large ships over small private traders?—It does.

321. Would not the temptation to smuggling be irresistible if the trade was carried on in small vessels?—I imagine that individuals who do not much respect the laws of the country, will not consent to pay duties which they can evade by acting in opposition to those laws.

322. Is the smuggling carried on among the Chinese by what are called outside merchants?—This term is applied in common to all merchants not members of the Hong; some of them are smugglers, some mere shopmen.

323. Is not the trade which is carried on by the American merchants, chiefly with the outside merchants?—It is, I believe, to a certain extent. I should say that a large portion of their trade was carried on with the Hong merchants.

324. Do not the Hong merchants give permission to the Americans to trade with the outside merchants?—The outside merchants are prohibited from trading in teas or other staple articles; but the Hong merchants frequently connive at the trading of the outside dealers, by permitting shipments to be made through their Hongs. That is done by the poorer class of Hong merchants.

325. You stated that the American trade of later years has fallen off; are you not aware that the American trade is in part a carrying trade?—It was a very great carrying trade some years ago; I believe that carrying trade has been very much limited of late years.

326. Is not the carrying trade subject to great fluctuation, inasmuch as it depends upon the policy of other countries?—That is a question of a general description which I am not pre-

18 Feb. 1830.

C. Marjoribanks, Esq.

pared to answer; but a part of the American trade which appears to be declining is their direct trade between China and the United States.

327. Would not the interference of the Dutch in the tea trade necessarily affect the carrying trade of the Americans, in so far as the supply of tea to Holland was concerned?—Certainly.

328. It appears that the years 1826-1827 exhibit a considerable falling-off in the American trade; still are you not aware that there has been a considerable increase in the American trade, commencing in the year 1814, and terminating in the year 1827-8?—I am aware there has been in some years an increase.

329. Are you aware of the averages which have been struck n the Papers presented to Parliament upon that subject?—I am. I conceive that the Americans have been increasing in wealth and population, sufficiently to account for a general increase of trade.

330. Do not you think there may be some circumstances to account for the falling off of the trade in 1826 and 1827 of a temporary, and not of a permanent nature?—I believe the Americans have been very much overtrading, both to continental ports in Europe and to the United States, and that very considerable losses have been sustained upon those consignments.

331. Are not the principal tea provinces in China maritime provinces?—The province of Fokien is the black tea province, and the province of Kiangnan is the principal green tea province, both maritime provinces.

332. Is the tea generally brought from those provinces to Canton by sea or by land carriage?—Entirely through the interior of the country. It is prohibited by Imperial edict to bring it by sea. The Chinese have attempted to bring it by junks; but the Imperial government of Pekin, being apprehensive of being defrauded of the duties which arose from the transit of teas, have prohibited the trade by sea altogether.

333. Are you aware that there is an exportation of tea from the tea provinces to the islands of the Eastern Archipelago?—I have understood that there is an export to a limited amount for the supply of Chinese settlers there.

334. And that it is also brought to Sincapore?—I cannot speak with any personal knowledge of what is brought to Sincapore.

335. You have stated that the tea provinces were very much benefited by the export of their teas to Great Britain?—I stated, as an individual opinion, that I conceived that the native industry was very much encouraged in China by the extent of foreign trade; and of course the tea provinces were materially improved by the flow of capital into them.

18 Feb. 1830.

C. Marjoribanks, Esq.

336. Are you aware of the amount of the population in the tea provinces?—It varies in the different provinces; the whole population of China is computed now at 140,000,000. I believe the southern provinces of the empire the most populous.

337. Have you heard any estimate at Canton of the number of persons connected with the tea trade?—I have heard many estimates, but it is impossible to place reliance upon such information.

338. If the Company's establishment at Canton was to cease, and the trade of Canton was to be carried on by private merchants, and those merchants were to carry on indiscriminately a lawful and an illicit trade, do you think that the whole trade might be endangered?—I do.

339. You have stated that one of the articles which is smuggled into China is opium; is not that smuggled by individuals of every nation, who provide themselves with it in India?—It comes to China principally in British country ships, which are the traders between India and China.

340. Is it not purchased exclusively from the India Company?—It is purchased at the East-India Company's sales; besides which, there is smuggled Malwa and Smyrna opium.

341. So that, although the East-India Company will not smuggle opium into China themselves, they sell it knowingly to parties that do smuggle it in?—The persons connected with the Company's interests have knowledge enough to know that it goes to China, but they conceive their connexion with it to terminate with the sale in India.

342. In making a calculation of the profits and loss of the East-India Company's imports into China, how is that calculation founded where barter takes place: you were understood to state that the woollens and other goods were bartered against tea?—I stated that the Hong merchants required the tea merchants to take them in return for their teas. The Company formerly used to barter with the Hong merchants: of late years they have required the Hong merchants to give money prices for every thing.

343. Is it taken as a mercantile account upon the cost price in England, the freight and charges, &c. being added to it, and the result taken from that?—The usual number of mercantile charges which are made in invoices enter into the account.

344. Is any commission charged upon it as received by the Company's agent there?—I believe our commission is charged upon the exports from this country in the Company's invoices. It is paid upon the sales in China and England at the rate of two per cent.

345. Is that upon the gross sales?—I believe so.

346. Upon the goods out and upon the goods home?—Yes.

18 Feb. 1830.

C. Marjoribanks, Esq.

347. Upon the purchases of tea is your commission of two per cent. charged also?—Upon the sales of tea we receive two per cent. commission; three per cent. commission pays not only our commission, but the whole expenses of the Company's establishment in China. There are some commercial charges which we call charges on merchandize, and expenses for the transit from the factory at Canton to Macao and the factory rent; but two per cent. we receive in the shape of commission as our own allowances.

348. Is that two per cent. allowed upon the sale of teas in England, or upon the prime cost at Canton?—Upon the sale in England.

349. There appears to exist a considerable difference between the value of the imports into China and the value of the tea exported by the Company from China; how is that difference made up; is it not by the Company selling their bills in China?—The Company draw annually in China upon their Bengal treasury, to the amount generally of 2,000,000 of dollars and upwards, which affords a remittance for the proceeds of opium and cotton in China to British merchants, who generally very gladly avail themselves of the Company's paper to remit their proceeds to India. The Company's tea investment is therefore provided by the proceeds of the sale of English manufacture in part, and the productions of our Indian possessions.

350. You have stated that the supercargoes are paid a commission of two per cent.; are there not certain deductions from that, to the amount of at least one-quarter per cent.?—The salaries of our tea inspectors, our surgeon, and our chaplain, and certain allowances to the senior officer commanding the Company's ships, and payments to the retired servants of the Company, come under the two per cent., and what we call in China the European establishment, which is the expenses of European servants connected with the factory.

351. When is it that you receive this two per cent.; how many years is it after they are shipped from China?—We do not receive our first payment from the Company till the expiration of two years after the work is done for which that payment is a remuneration; and the whole payment is not completed under four years, which makes our nominal greater than our real allowances.

352. Is not the delay in that respect occasioned by the Company keeping the tea of one year for sale in a subsequent year?—I do not know if that be the cause.

353. If the Chinese government were to exclude both the Company and private traders from the trade in tea at Canton, are you of opinion that that trade could be carried on elsewhere to a beneficial purpose through any other channel?—The question would contemplate the Chinese entering themselves into the trade with their own native vessels. It has been a principle of the Chinese government altogether to discourage the natives

of the country from being in any way connected with foreign commerce. The question is one completely of speculation; but I should think very great difficulties would stand in the way of the trade being carried on to any great amount in Chinese vessels to the islands of the Eastern Archipelago. 18 Feb. 1830. C. Marjoribanks, Esq.

354. Do not you think that the Hong merchants, having a large stock of teas in their hands, would be prompted by their own interests to send those teas to other parts, when they could not sell them at Canton?—There would be great danger in sending them, inasmuch as the Chinese native vessels are of such a cumbrous description that they are very unseaworthy.

355. Would you have the same security for the good quality of the teas?—Unquestionably not; there could be no security in such a trade.

356. Is not the production of teas capable of being increased, according to the increased demand for it?—I think, to a certain extent, of black tea, though not of the best kind, but not of green. My reason for thinking the production of green tea cannot be increased is, that there has been a greater demand for it than the increasing supply of the Chinese has been able to keep up with.

357. Are you aware of any reason peculiar to the country creating an impossibility on the part of the Chinese to proportion the supply of green tea to the demand?—I imagine it requires a considerable outlay of capital, which the Chinese have not at command; and it involves a speculation into which the Chinese merchants do not seem disposed to enter.

358. Can you say whether the demand for the English woollen manufactures in China is capable of being increased according to the increased supply?—I conceive that if our manufactures could be introduced into the northern provinces of the empire, the demand for them would decidedly increase; for they are the cold provinces, where woollen manufactures would be principally used.

359. Are there any insuperable obstacles to the introduction of our woollens into the northern parts of China?—The ports of China being hermetrically sealed against us for many years.

360. Have you found the British manufactures have been in greater demand when the price has been low in China?—I suppose that low prices generally produce an increased demand; but I cannot answer that question distinctly, from any recollection of the circumstances.

361. With respect to British manufactures in general, when the price is low in China do you find that they are in more general request than when they are high?—I believe that men will buy things more readily when they are cheap than when they are dear; but I cannot answer the question from recollecting the circumstance.

18 Feb. 1830.

C. Marjoribanks, Esq.

362. Do you know whether the consumer, or the retail dealer, makes a larger demand upon the Hong merchant when the price is low than when the price is high?—When prices were high, I have always heard the Hong merchants complain of having many unsold goods in their warehouses; and I have always heard them say they sustained losses on our woollens.

363. How many English establishments may there be at Canton?—We send home an accurate list of the English residents every year; but I cannot state the precise number at present.

364. Have they increased of late years?—There have been more agents; I think the houses of respectability have not increased.

365. How many consuls are there at Canton?—There is an American consul, a Dutch consul, and a Dutchman who, I believe, has the diploma of French consul.

366. Do you know what the private houses of agency in China charge for conducting a trade?—Five per cent.

Lunæ, 22° *die Februarii*, 1830.

JOHN FRANCIS DAVIS, Esq. called in, and examined.

22 Feb 1830.

J. F. Davis, Esq.

367. What opportunities have you had, of a peculiarly favourable nature, to enable you to form an opinion respecting the Chinese, their trade, and with respect to the relations of this country with China?—I have been seventeen years in the Company's service; and I think it probable that the attention I have paid to the language and institutions of the country may have assisted me in forming an approximation to a correct opinion regarding them: besides, I travelled for six months through the interior of the empire.

368. Were you not also a member of the Select Committee? —Previous to my last leaving Canton I was.

369. What circumstances, in your opinion, in the character of the Chinese, and in the nature of their institutions, are opposed to an extended intercourse with foreign nations?—They are a decidedly anti-commercial people: they have a particular objection to increasing their intercourse, in any way, with Europeans, and I should think more particularly with the English, on account of our close approximation to their frontiers towards Tartary and in Ava.

370. Has the condition of British merchants and of the British trade improved in China since your recollection, and more particularly since the last British embassy to Pekin?—It certainly has. The returns which I believe are now lying on the table of the Committee, show that for the last ten years there is an increase of 5,000 tons in the Company's shipping,

when compared with the nine years preceeding; that is to say, that for the last ten years the average has been 28,000 tons of shipping, and for the nine years previously the average was only 23,000.

18 Feb. 1830.

J. F. Davis, Esq.

371. Is the foreign trade considered of real importance to the Chinese, or is their government independent of it?—I should think their government is as independent of it as that of any country in the world: they have, besides, a decided objection to an increased intercourse with foreigners, and diminish as much as possible their intercourse, by laying heavy duties upon foreign manufactures.

372. From what circumstances does the influence which the British representatives appear to possess over the Chinese government and their commercial delegates arise?—I should think, in some measure, from their moral respectability, in having no concern whatever with smuggling; and I should also think their influence arises, in a great measure, from the value and importance of their trade in amount.

373. What advantage does the Company derive from the superior class of large ships employed in their China trade, and from the discipline maintained in those ships?—They derive several distinct advantages from the superior class of their shipping. In the first place, they pay less, in proportion to the tonnage, at Canton in the shape of port charges: in the second place, these ships are better adapted to the stowage of teas; they stow more in proportion to their nominal size. There is another advantage derived from the superior class of their shipping, in regard to sea-risk. Since I have been in the service, seventeen years (and I believe for many years previously), not a single *homeward*-bound ship of the Company has been lost. We may consider the number of homeward-bound ships in that time 400; so that that makes the risk as nothing to 400. I speak in reference to the *teas*, and therefore in reference to the homeward-bound. The observation is correct in reference to them, and would *not* be in regard to the others. This advantage is shown, in practice, by the small premium on the insurance of the Company's ships. There is another decided advantage derived from the superior character of the Company's shipping: it is independent almost of convoy in time of war, and it is well known that their fleets have beaten off French line-of-battle ships.

374. Do you allude to the celebrated action in which Commodore Dance had a large fleet of Indiamen, and repulsed Admiral Linois?—Yes.

375. Do you know the amount of property that was then in jeopardy if the French had been successful?—No, but I believe it is a matter on record. If it were the whole fleet of the Company, it would amount to one year's value of the Company's trade.

22 Feb. 1830.

J. F. Davis, Esq.

376. Were there not also under the charge of Commodore Dance a large number of private ships also of very great value?—I believe there were, as far as the Straits of Sunda. With regard to the objections raised against the Company's superior class of shipping on the score of its freight, I would say, that the charge on account of freight at present is only 4*d.* per pound upon all the teas; and taking it for granted that the private traders might purchase their freight at one-half of the Company's, that brings the difference to 2*d.* per pound. Against this 2*d.* per pound you must take all the advantages I have stated as an off-set; you must take the smaller port charges paid by the Company; you must take the very advantageous insurance account of the Company; their independence of convoy; and the superior stowage of their ships.

377. Do you chance to know what freight the Company pay for the stowage employed in the trade to our North American colonies?—They pay less than the Americans; about £9 or £10 a ton, I believe. The American ton is one-fourth smaller than ours, and therefore in proportion to the nominal price they pay more.

378. Are you able to state how much the £9 or £10 per ton is per pound weight of tea?—The £9 or £10 must not be charged upon the tea; not more than one-half of it should be charged on the tea, because the ships are taken up to export British manufactured goods to Canton; and therefore the freight must be divided between the outward voyage and the return voyage. It is, accordingly, only £4. 10*s.* or £5 upon the tea.

379. Are you able to state how much that would be per pound of tea from China to North America?—It is something under a penny per pound on black tea; on green tea I have not calculated.

380. Do the Company derive any advantage from the regularity of their demand for tea, and from the regular contracts made by them with the Hong merchants in conformity to this demand?—I should think that they do. A crop of tea is not like a crop of turnips or a crop of corn, which may be produced within the year, according to the demand? The shrub requires a certain time to come to perfection, and the regularity of the demand certainly tends to encourage its cultivation, to produce a supply in due proportion, and to save the growers from severe losses; because if there were a sudden diminution of the demand for a year or two, after a rapid previous increase, they would probably, a great many of them, be ruined; since it is not so easy to convert the cultivation of tea into the cultivation of any thing else; I therefore hold, that a regular demand for tea insures a regular supply, at the same time that it keeps up the quality. A fluctuating demand, probably, would be more pernicious in the case of tea, than in the case of almost any other thing in the world.

22 Feb. 1830.

J. F. Davis, Esq.

381. Practically, what effect has this regularity in the demand for tea produced upon the price of it?—It certainly keeps up the quality relatively to the price.

382. Has the price of tea increased or diminished latterly? —I would rather say it has been prevented from increasing; an increase which would have been inevitable, from the very great advantages which, in the absence of the Company, the united body of Hong merchants, all living within a few doors of each other, would derive from their union against promiscuous traders.

383. What impression, in your opinion, would be produced upon the Chinese generally by throwing open the trade to British merchants generally?—The whole body of smugglers at Canton would rejoice. The government would, in the first instance, view it with jealousy, as they view every change; and when they came to lose their revenue, they would view it with hostility. They have already, in consequence of the extraordinary amount of smuggling (not only relatively to contraband articles, such as opium, but in the case of articles that pay duty), lost so much, that they have issued edict after edict directed against those individuals and those nations who principally partake in this smuggling trade; and it is impossible to suppose that they would go on *ad infinitum* in their endurance, or consent to the conversion of the whole trade of Canton into a smuggling intercourse.

384. Do the representatives of the Company possess any peculiar advantages in their intercourse with the Chinese, and in their means of access to the local government of Canton?—They possess one very essential advantage, in being the only foreigners who are allowed to have a direct communication in the native language with the government, which has been expressly denied to all others, and only conceded to the Company, on the part of the government, because they could not resist it. They also derive great advantage from the attention which has been paid to the language and to the institutions of the Chinese; to the knowledge of their laws especially, as well as to the general character of the people; an advantage which is not, as far as I know, possessed by any other traders at Canton.

385. Do any other foreigners in China besides the English possess a competent knowledge of the Chinese language, or avail themselves of its use in their intercourse with the government of China?—Certainly none of the traders in China. There are a few Catholic priests who study it for the purpose of propagating Christianity; but it has not, to my knowledge, ever been used by any European traders, except the Company's representatives, in their written intercourse with the government and with the people.

386. Do the Chinese government recognize the Company's

22 Feb. 1830.

J. F. Davis, Esq.

Factory as a respectable and more official body of persons than any other persons in China?—They consider and treat them in a manner very different from the treatment which they show to other Europeans. They have done, in respect to the Company's representatives, what they never did in respect to any other traders; they have admitted them to personal conferences on equal terms. In the year 1814, I was at all the conferences which were conducted by Sir George Staunton, to which the Mandarins came in full state, and met us as equals to all intents and purposes. I have myself been engaged in personal interchanges of visits with the Mandarins on friendly terms. They would not certainly adopt such a mode of conduct towards other Europeans at Canton, in my opinion.

387. Do you conceive that the throwing open the trade to China would extend the consumption of British goods there?—My opinion is decidedly that it would diminish that consumption. The importation of European goods by the Americans, of which so much has been said in this country, appears on examination, not to have exceeded one-fourth of the quantity imported by the Company and their officers: the average seems to have been about 800,000 *dollars*, while the latest average of the Company is about £800,000 sterling; and I should ascribe this actually small quantity on the part of the Americans (although that has been very much exaggerated in England) to two or three plain reasons. In regard to the Company's officers, they pay *no freight*, and they also pay a very small insurance, in consequence of the superior character of the ships; and they can accordingly afford to introduce European manufactures cheaper than the Americans. In regard to the Company, they have thought it necessary, on account of the clamour raised in this country, to submit to actual losses; and it is not likely that individuals would, from any patriotic motives, endure the same losses.

388. What obstacles exist, in your opinion, to the increased consumption of British goods throughout the empire of China?—I would first state the anti-commercial spirit of the Chinese, which leads them to charge heavy duties on foreign importations. For instance, the duty on woollens is from about 1*s*. to 1*s*. 4*d*. a yard; the duty on raw cotton is about 6*s*. a hundred-weight; and I would say, that the circumstance of British manufactures being generally calculated for a cold climate, while Canton is placed at the very southern extremity of China, 1,200 miles distant from the northern, would also be an obstacle to the consumption of British manufactures. Then, again, the Chinese have laws directed against the use of strange and foreign things, and on all occasions involving expense, particularly such as festivals, marriages, public and domestic occasions of rites and ceremonies, they are bound to use the things which in material and in fashion are consonant with established and ancient usages:

and even in what they buy of us, they buy principally those things which admit of disguise; for instance, the little demand they have for our white cottons is principally because they can dye them some other colour, and thereby hide the circumstance of their being foreign.

22 Feb. 1830.

J. F. Davis, Esq.

389. Is there only one port in China into which foreigners are permitted to trade?—Only one. I have heard that the Spaniards have a nominal admission to another port, that of Amoy, which they have been obliged to abandon from the impossibility of coping with the exactions of the Mandarins.

390. Have any efforts been made, to your knowledge, by British residents or other foreigners, to open a trade at other ports besides Canton?—Not within my recollection.

391. Is not the Company's mark a passport for their goods from one end of China to the other?—Yes; and in travelling through the country with Lord Amherst, I saw written up in Chinese characters "Company's cloth." I would observe, with regard to the title "Company," that it is the only respectable term which the Chinese apply to foreigners; they generally call them by names which are scarcely to be repeated: the original Chinese expression, Koong-sze, means a body of public functionaries.

392. What is your opinion with relation to what would occur to goods not having the Company's mark upon them, as far as the interior trade was concerned?—They certainly would not have that passport.

393. Are you in possession of any information as to the manner in which the Americans purchase their long ells and other cloths which they procure from this country?—I am not so well acquainted with what occurs in England on that subject.

394. What has been the success of the free trade of the Americans and others with China; has it been a beneficial trade or otherwise?—I understand it has produced bankruptcy to a very considerable extent in America, which is a circumstance referred to in the President's message to Congress. He said that the principal defalcations in the American revenue had arisen in the department of the customs, from the bankruptcies which occurred among those engaged in the Eastern trade; and that the best way to guard the government from such losses in future was to give it the first claim against the estates of its insolvent debtors.

395. Has the American consul any control over his countrymen at Canton?—He has not a great deal of control over his countrymen; he seems to be simply a commercial officer.

396. Is any deference or respect paid to him by the Chinese authorities?—Very little indeed. The Chinese do not understand recognizing foreign dignities and authorities.

397. When Admiral Drury was in China was he respected,

22 Feb. 1830.

J. F. Davis, Esq.

and his authority acknowledged by the Chinese authorities?—No; they treated him, in fact, with the greatest contempt, which in some measure occasioned him to lose his temper, and to behave with what I should call imprudence.

398. Are you aware of an order from the Admiralty to prohibit any British man-of-war from going to the Chinese seas, unless under circumstances of the greatest necessity, such as want of water?—Yes; and I believe that order was made specifically in consequence of the mischief that had been produced by men-of-war going to China.

399. Were you in China at the time of the occurrence referred to?—I was not in China at the period of Admiral Drury's stay there; but I was in China during very similar mischiefs, which occurred in the case of Captain O'Brien, in 1814. Captain Richardson's case also occurred during the period of my service, though I was not actually on the spot at the time.

400. Are the British seamen in the Company's ships under better control than other seamen who come in other ships?—Decidedly. There is a species of police established at Canton by the Company; a circumstance that has arisen out of the exigencies of the case, in consequence of the mischief that resulted from the sailors coming up without sufficient control to Canton, where they gave occasion to several homicides. A most efficient system of police has been established on the spot, with reference to British seamen, constituting the commodore, or senior officer of the Company's ships (the Company's president is the chief), a sort of magistrate, with perfect control over the men, and the power of sending them down to the ships, or of punishing them when they deserve it.

401. Do you consider that if the trade was thrown open to ships of all descriptions, there could be a control over the seamen similar to that which is exercised over the Company's own sailors?—I should think that neither the officers nor the men could be under the same control as in the Company's ships; because these constitute a sort of approximation to the footing of men-of-war, and therefore the discipline in their case is certainly less lax than on board private ships.

402. Is there not a great trade from the ports of India to China?—Very large.

403. What class of persons navigate those ships which are called country ships?—The men are chiefly Lascars.

404. Are they under pretty good control?—They are under the Company's control entirely; perhaps less so than their own ships, but still under the Company's control.

405. Can any ship go from India to China without a license from the Company?—I fancy they are licensed by the local governments.

406. Does not that give an authority to the local govern-

ments to place, in some measure, under the control of the Company's authorities in China the sailors who navigate those ships? - The captains sign a penalty bond, obliging themselves to conform to the orders of the Select Committee. 22 Feb. 1830. J. F. Davis, Esq.

407. Have you been in any of the Company's settlements in India?—I have not visited them.

408. Will you explain to the Committee in what way the contracts are made of tea, and also the sales of woollen goods, with the Hong merchants?—With regard to the woollen goods, the merchants have a decided objection to them; and they certainly incur a heavy loss on some of them; they accordingly take them from the Company only because they are obliged. They take them in shares, proportioned to the quantity of contract teas which each of them supplies to the Company; and they take a considerable portion of them only because the Company obliges them. I have seen accounts which evidently proved that the merchants were severe losers by the bulk of the woollens, particularly the long-ells. With regard to the teas, the contracts are made annually about the month of February for the ensuing season; and they do not extend to the whole of the intended investment, but perhaps to about two-thirds of it, the remainder being left to be supplied from the offers which may be made after the contracts have been filled.

409. Have the Company the first offer of all the black teas that are grown in China?—I believe they have of all.

410. How do they stand with relation to the green teas?—The bulk of the green teas are also offered to them in the first instance. There are one or two very peculiar descriptions of tea, small in quantity, which they do not import; the young hyson, I think, is one suited particularly to the Continental and American trades.

411. Is it your opinion that an increased supply of teas could be raised to supply any indefinite demand in China?—I should think that as the quantity increased, the quality would deteriorate. The quantity might be increased, probably, very considerably beyond what it is at present; but experience has shown that it is impossible to keep the quality up in proportion as the quantity of this produce or manufacture increases. We have found several of the best species of black tea almost vanish, as the whole demand of the Company has increased; and the importations of the Company into England, so far from starving the market, have so much over-supplied it, that there has been considerably above a million annually rejected at their sales at the upset price.

412. Do you know how many years it takes to bring the tea plant to maturity?—I cannot speak very positively on that subject; but I should think, as it is a shrub, two or three years would be necessary, or more.

22 Feb. 1830.

J. F. Davis, Esq.

413 Has there not been very pressing orders from the Directors to the supercargoes, when you were in China, to send an increased supply of twankay tea?—Yes.

414. Has there not been a difficulty in obtaining that article? —I believe there has.

415. Was there any limitation of price fixed, or was it ordered to be bought if it could be bought at all?—It was, I fancy, to be purchased at any rate. It was stated as being much in demand at home.

416. With respect to the many foreigners who are at Canton, do you suppose that the acknowledged authority of the Company's representatives is advantageous to them?—I should think in two respects, politically and commercially: politically, they have certainly preserved foreigners from the degradation to which they would have been reduced by the haughty disposition and conduct of the Chinese government; they have stemmed that torrent: and, commercially, they have certainly kept down the prices of teas.

417. What effect would, in your opinion, be produced, politically speaking, by the Company being divested of their exclusive privileges in the eyes of the Chinese?—They would undoubtedly lose in the eyes of the Chinese. The Chinese would infer that they had abused the trust confided in them; and, in fact, they must necessarily lose *all* the advantages which they at present possess, for they would entirely lose their present character.

418. That is, the Company would lose?—The Company would lose, and also British subjects, as the Company represent British subjects.

419. Would private merchants, trading to China, receive the same protection as they now do, under the wing of the Company's representatives?—I should say they would be reduced to the level of the subjects of other nations who frequent China.

420. What protection do you suppose that foreigners now receive from the acknowledged authority of the Company?—I would say that they have derived a general advantage, from the character of Europeans in general having been kept up in the eyes of the Chinese; for the Chinese cannot draw those distinctions which we do: they consider all nations wearing hats and coats to belong to one general class, of which they certainly acknowledge the English to be the head.

421. Have the Company's representatives extended their protection over foreigners whenever they have had an opportunity? Have they interfered as far as they could, to support the rights of other nations, European and American?—No particular instance occurs to me, at present, of their having done so.

422. In the case of the murder of a Chinese by an American,

22 Feb. 1830.

J. F. Davis, Esq.

were you in China at that time?—I was not in China. I have heard that there was some disposition to take the poor man's part displayed by individual British subjects, but that the Chinese would not have any thing to say to them.

423. Have you any means of knowing in what way any contemplated change of system is viewed by the Chinese, particularly by the Hong merchants, and by any of the constituted authorities?—The Hong merchants would have reason to rejoice in a change, if viewed in regard to their gain; for they would certainly be able to do with private traders what they cannot do with the Company; they would dictate prices to individuals; while at present, on the contrary, the Company dictate prices to them. But they would not, I fancy, willingly purchase this advantage at the heavy risk which they would incur, in the event of the trade being opened, arising from their responsibile character. They are responsible for the acts of all Europeans; they are *security* for the ships: and the risks of fine and imprisonment, and even of corporal punishment, arising to themselves, from the acts of private merchants and their sailors, would be so great, that they would not willingly purchase the advantage of trading with foreigners generally on superior grounds to those which they at present enjoy, at the price of the risks which they would incur both of the person and of the pocket.

424. What is the Committee to understand by the Hong merchants being security for the acts of private merchants?—The Chinese government will not deal with any ship till some Hong merchant has consented to be answerable for the conduct of every individual in that ship. In the case of private ships, much delay has arisen from no Hong merchant being willing to become security, while each of them in his turn readily becomes security for the Company's ships as they arrive; with the exception, I would add, of the chief Hong merchant. His more numerous avocations, as representing the whole Hong, and as conducting the affairs of the whole Hong in their official intercourse with the local government, led him to petition the Company to be exempted from this duty of being security for their ships. They call him in their language the general merchant; that is, the principal organ of official intercourse between the local government and foreigners; and on account of the time and attention which this required from him, he petitioned to be exempted from the business of being security for the ships. He was exempted on that ground, when he had explained to their satisfaction the reasons of his application.

425. Can you state in what year that exemption took place?—I think it was in the end of 1827, or the beginning of 1828.

426. Were you rightly understood to say that the Chinese object to foreigners, and particularly to the English, on account of their power being in the neighbourhood of the Chinese

22 Feb. 1830.

J. F. Davis, Esq.

empire?—I would not say *object;* I would say that they are more inclined to be *jealous* of the English, and of course on that account, on account of the English having got so much political influence in Nepaul, as well as in Ava.

427. Were you rightly understood to say, that the Company are preferred because they do not smuggle, and on account of the greatness of their trade?—Certainly; those circumstances must raise them in the estimation of the Chinese.

428. Is not the smuggling generally and chiefly carried on through the country-trade ships from India to China?—I should say through the country trade and the Americans: both the country traders and Americans smuggle opium.

429. Do the country-trade ships receive licenses from the local governments in India?—To the best of my knowledge they do; but I cannot speak to that as coming within the immediate range of my own knowledge.

430. Are the Chinese aware that those country ships come under the license of the East-India Company from India to China?—They regard them generally as British ships, and they do not trouble themselves further.

431. Do they consider them as under the authority of the East-India Company?—Not farther than as British subjects. They cannot consider them as so immediately under the authority of the Company as the Company's own ships are.

432. Do not the country-trade ships give bonds to the East-India Company?—I believe they give bonds to the East-Indian governments at the Presidencies from which they sail.

433. In the event of any misconduct on board of one of the country ships, to whom would the complaint of the Chinese authorities be addressed?—It would be addressed to the British chief, if that occurrence happened within the river; but we do not recognize the country ships that stay outside of the river, which do not enter the river at all, but lurk amongst the islands for the purpose of smuggling opium.

434. You stated that the price of freight on tea from China to England is about 4*d*. a pound; and you stated that the price of freight from China to Canada was about 1*d*. per pound: can you explain the reason of the difference between the rate of freight of tea from China to Canada, and the rate from China to England?—In the first place, the high freight of the Company's ships to China arises from their being a superior class of vessels; and the high charge on the tea arises from more of the freight being laid on the teas, that is, upon the homeward cargo, than upon the cargo outward.

435. Is not it true, that a different class of ships is employed in the trade between Canton and Canada than that which is employed between Canton and England?—I should say that the higher freight on the tea that comes home to England arises

partly from the shipping being of a superior class; it arises, secondly, from a larger proportion of the high freight being charged upon the tea that comes home to England, that on the British manufactures that go out. 22 Feb. 1830. — J. F. Davis, Esq.

436. Did the calculations you made of 1*d*. per pound for freight embrace the £9 or £10 per ton, which you calculate those ships to cost?—I take one-half of the freight charged for the voyage, assuming the freight paid to be £9 or £10 per ton.

437. During your residence in China, have you had occasion to know that the East-India Company has exported a considerable quantity of Sycee silver, that is pure silver, from Canton? —No, I cannot call to mind any single instance of that within my service, nor before it.

438. Are you aware of their having exported bullion in any other shape?—I believe they did once within the seventeen years that I have been in their service.

439. Was it in any considerable quantity?—It is so long ago (I do not think it is within the last twelve or thirteen years), and I cannot speak to the quantity.

440. Is not the export of bullion in any shape strictly prohibited by the laws of China?—It is; but the Company, of course, when they did export that quantity, applied for and obtained a regular license.

441. The Committee are to understand that the Company did apply for and did obtain a license from the Chinese government for the exportation of that bullion?—I was not in the Committee at the time; but I should certainly say that they did apply for and obtain that license. In fact, I can speak to their actually having applied for and received such a license, when they have exported bullion.

442. Are you aware that, with respect to a considerable quantity of the opium which is smuggled into China, the chests in which the opium is contained bear the Company's mark?—I never saw a chest of opium in my life, and therefore I cannot speak to it.

443. As a member of the Select Committee, have you not had occasion to know officially that a considerable quantity of that opium was sold by the East-India Company's authority in India, and a license granted to British subjects to carry it to China? —We cannot possibly be ignorant of that. The Company enjoys a monopoly of the growth of opium in India, and therefore they must be the sellers of it; but I am confident the Chinese are perfectly ignorant of a circumstance which is foreign to their empire.

444. Are the Committee to understand that the members of the Select Committee are cognizant of the fact that that contraband article is brought to China under the license of the East-

22 Feb. 1830.

J. F. Davis, Esq.

India Company's governments in India ?—They cannot be ignorant of a fact so generally notorious to Englishmen.

445. Can you state how many of the Company's and China ships were captured during the late war?—That I cannot state. Whatever may have been the number, it all occurred long previous to my entering the service.

446. Do not you think that an increased demand for tea at Canton would naturally tend to produce an improvement in the quality of the article?—I should say, from the experience of the past, that an increased demand for tea would produce a decided deterioration of quality.

447. On what grounds do you form that opinion?—Entirely from the circumstance of its being a very delicate produce, requiring a peculiar soil and climate and situation; and that in proportion as the quantity manufactured is increased, and particularly if the demand is rapid, the quantity that is hastily produced, in order to meet that rapid increase of demand, invariably produces a deterioration in the quality.

448. Since when has it been deteriorated?—Since the demand has been increased, I have before stated that the Company's tonnage had in the last ten years increased on the average 5,000 tons per annum, when compared with the nine years preceding that period.

449. From the experience you have had travelling in China, can you inform the Committee whether the profession of a merchant is not looked upon as of a very inferior nature?—I should say, that though by the institutions of the country it is generally considered as inferior to that of scholars and some others, yet still that in China, as in every other part of the world, wealth must carry with it a very considerable share of consideration; and that the circumstance of wealth in the Hong merchants (who also possess some official character) gives them a certain degree of respectability and consideration, even among the officers of their own government: so much so, that I remember Sir George Staunton, after the discussions of 1814, which he conducted personally, and at which I was present, told me that he was subsequently invited to meet one of those Mandarins at dinner, at the house of a Hong merchant. So much influence has wealth, even in China, in conducing to respectability.

450. Is the American consul himself personally engaged in trade?—I should think it is the only source from which he can derive a livelihood; for I believe he receives no salary whatever.

451. Do you consider the Hong merchants generally to be wealthy men?—Decidedly; I should say that those who have escaped ruin from the illicit trade must be wealthy men. I would hardly make any exception at present.

452. How many are those who have escaped that ruin?—There are at present seven, and I think there were ten. I

would say that *generally* they are wealthy men, and one or two of them men of incalculable wealth; nobody knows how rich Howqua is.

22 Feb. 1830.

J. F. Davis, Esq.

453. Are you able to state whether it is not a fact that it is contrary to court etiquette for a merchant to be admitted into the Imperial presence at all?—I am not aware of any such regulation of the government.

454. How were the supercargoes designated in the edict issued by the Viceroy of Canton?—The term generally used is Koong-sze, as I mentioned before, "a body of public functionaries."

455. Can you state the probable amount of the tonnage employed in the country trade carried on between India and China, with reference to the Company's tonnage?—The report on the table speaks to that fact: it is nearly equal, at all events, to that of the Company. It arises, not from there being so large a quantity of tonnage actually employed, but from the quickness of the returns, and from the comparative smallness of distance enabling one ship to make two voyages in the year.

456. Is that trade carried on without the intervention or assistance of the Company's servants at Canton at all?—A very large portion of it consists of smuggling trade, and therefore must be entirely out of the Company's cognizance.

457. The question refers to the country trade carried on at Canton, of which no portion is a smuggling trade?—That consists principally of cotton.

458. Is that trade carried on without the intervention or assistance of the Company's servants at all?—I should say not, inasmuch as that trade has derived very important advantage and assistance from the Company's Factory in the course of time.

459. In what respect has it received the protection of the Factory?—There was an attack made by the Chinese upon the privileges and trade of foreigners generally, in the year 1814. The Company then made a stand; and I conceive that they gained advantages which necessarily extended to the country trade, as well as to the Company's.

460. Is it not the fact, that all the sales of the cargoes imported from India to Canton, and the purchase of returns, are conducted by the supercargoes on account of the country trade in direct communication with the Chinese merchants, without any interference or assistance from the Company's servants whatever?—Certainly, we do not interfere with their arrangements with the Hong merchants.

461. Do you know whether the American trade is not carried on in the same way, namely, that the American merchants have direct communication with the Chinese authorities and the Chinese merchants, without the interference or assistance of the Company's servants?—With the Chinese authorities they have endeavoured to obtain an intercourse, but have been denied it,

22 Feb. 1830.

J. F. Davis, Esq.

except through the medium of the Hong merchants. They are ordered by the Chinese government, if they have any thing to say, to send a petition in English to the Hong merchants, which petition the Hong merchants are to translate into Chinese. The disadvantage of such a medium of communication as the Hong merchants is this, that, in the first place, they have interests decidedly contrary to those of the petitioning foreigners; and secondly, that they dare not, in their communication with their own government, urge points, or use expressions which foreigners would urge and which foreigners would use, could they write their petition themselves. The Americans have been engaged, in a great measure, in the illegal trade with what are called the outside shopmen, in express contravention of the laws of the Chinese empire; and the government repeatedly interfered to put a stop to it, in consequence probably of the defalcations of revenue, and the ruin of the Hong merchants which ensued therefrom. They have interfered three or four times since I have been in the service.

462. Was not that interference on the part of the Chinese government at the request of the Factory?—Certainly not.

463. Do you know the date of the last interference?—The last was shortly before I left the country.

464. Were you in Canton in 1828?—Yes, I was.

465. With respect to the country trade, are the Committee to understand that a trade, equal in amount of tonnage to the trade carried on by the East-India Company, is carried on under the British flag to China now, without any interference or intervention of the Select Committee as regards the commercial intercourse between the supercargoes of those ships and the Chinese merchants at Canton?—Except as regards the occasional protection which the Committee have found it necessary to extend to the British trade in general in cases of exigency.

466. Can you state any of those cases?—I speak particularly in relation to the year 1814, when a stand was made against the Chinese in favour of British subjects generally.

467. Do you think that trade could be carried on with the same security, if it had not the protection of the Factory?—I should say not.

468. Are you aware of a proclamation issued by the Canton government in 1814, regulating the trade between the shopmen and the Americans, on a petition for that purpose?—No; I recollect a proclamation denying what the Americans petitioned for. There was a proclamation about certain trifling and worthless articles; but this was so perfectly futile, that the Americans petitioned for a set of regulations, which should admit the shopmen to trade in staple articles of commerce. Those allowed were mere mats, shoes, &c. and articles of consumption, which are permitted to be sold to the sailors and foreigners generally for the supply of their occasional wants.

22 Feb. 1830.

J. F. Davis, Esq.

469. Are not all cotton goods and silk goods included in the last proclamation?—If I recollect right, they were all excluded. The ultimate result of the American petition was, to be refused those articles which they applied for.

470. You mentioned that there were very heavy duties on the importation of foreign goods; are there any internal duties on transit?—Very considerable ones, which necessarily add to the sale price of the articles that are the subjects of that transit.

471. Are those fixed and known, or are they variable?—They are so entirely connected with the internal administration of the empire, that it is not easy to obtain accurate information regarding them.

472. Is it easy to pass the goods, or are any obstacles thrown in the way?—There are no further obstacles than those which arise from the bar that this transit duty forms to the consumption of the article, by increasing its price.

473. Is there any means of knowing what the rates of duties are?—Yes; they have been stated and calculated according to the information obtained by a former tea-inspector of the Company. The document is available.

474. Has this system of transit duties been increasing of late years?—I have no means of ascertaining that point; but I believe they are very heavy.

475. Have they been of late years increased or diminished?—I have not heard of their being either increased or diminished.

476. Do you know how the duties are collected?—That also forms a portion of the internal administration of the empire, with which we have few means of becoming acquainted.

477. You have stated that the smuggling trade has increased very much of late years; has that increased at the same time with the system of internal duties?—The increase of the smuggling trade has been chiefly with reference to opium, which can have no connexion with duties, being altogether contraband.

478. Is there not a very considerable smuggling trade in other articles imported into China from Europe?—I believe that a great deal has been smuggled into China. I know instances where the articles have been detected, and a heavy fine has been imposed upon the Hong merchant who secured the ship, while of course the importing European has suffered the loss of his goods.

479. Have the Hong merchants themselves taken part in the smuggling trade?—Far from it; they were sold, not to the Hong merchants, but to outside shopmen.

480. You were understood to state that some of the Hong merchants have been ruined by their mixing with the smuggling trade?—Not at all; they have been ruined by the smuggling trade. They pay heavy duties and exactions to the government, on account of the advantages which their situation affords them

22 Feb. 1830.

J. F. Davis, Esq.

in the monopoly of the regular trade: and as the smuggling trade must necessarily be carried on by persons who do not pay those heavy exactions, and who in fact frequently evade the regular duties, they must necessarily be ruined by the extension of such a course of transactions.

481. Do all the English manufactures imported into China by the Company pass through the fair trade?—Certainly.

482. Have you any means of judging what proportion of the whole imports into China consist of the smuggling trade?—It is impossible to say exactly how much, because the smuggling is secret, and therefore not so open to investigation; but with regard to opium, we know that the amount of the annual importation into China is upwards of 10,000,000 of dollars.

483. Taking what information you have, should you say that one-half, or two-thirds of the whole importation of foreigners into China is surreptitious? I should say that it is very likely that one-half may be surreptitious, taking the value, not the bulk, because it is the most valuable articles in proportion to their bulk which are the most likely to be smuggled. Bulky articles, such as raw cotton, can hardly be the subjects of smuggling.

484. You have spoken of the Company's Factory making what you call a stand upon certain occasions; in what way is that stand made? is it by abstaining from dealing and trading? —The Company turned upon the Chinese their own favourite weapon. The Chinese had a mode of resorting to the stoppage of all communication; and in the the year 1814 the Company, with very great effect, tried the same measure upon the Chinese, and found it perfectly successful.

485. That is to say, the Chinese were not able to withstand the abstaining from trading with them for any length of time? —They gave up the point at last.

486. You threatened the stopping of the trade, and that threat brought them to their senses?—The measure of stopping the trade gained for the Company all the points for which they contended.

487. Can you state how long the trade was stopped upon that occasion?—I have not the dates in my recollection; but it was for a considerable period.

488. Did that stand, which you represent to have been made, create any considerable distress in China?—No, it could not produce much distress among the people for the time; but it produced considerable embarrassment to the government, from the delay of the duties. It gained for the Company two or three most important immunities and rights. Among the immunities may be stated, that of exemption from inquisitorial visitations from the Chinese Mandarins at the Factory. They had been lately subject to every kind of insult in that way,

and they gained an exemption from it. With regard to the privileges which they gained, the most important one was that of direct communication with the government in the written character of the country, under sealed cover, and without any interference on the part of the Hong merchants. 22 Feb. 1830. — *J. F. Davis, Esq.*

489. Are the Committee to understand, that prior to the year 1814, the period at which the stand was made, the Company carried on their trade without the privilege to which you attach so much importance, of communicating directly in the Chinese character?—No, they did not altogether; but it had been frequently disputed; and it was in the year 1814 that the Chinese particularly endeavoured to deprive them of it. They contended for the retention of this privilege, and gained a final confirmation of it in writing.

490. How many gentlemen are there in the Factory that can speak Chinese?—Perhaps half a dozen.

491. Sufficiently to hold conversation with the natives?—I should think so; and some of them to write the character.

492. Were you in any provinces where the tea is cultivated? —Lord Amherst's embassy did not pass through the principal tea provinces, which are Fokien and Tche-Kiang. We passed, however, through some where it is partially cultivated.

493. Are not the provinces where the tea is cultivated, very populous districts?—Very populous.

494. Is it not cultivated by a great number of small proprietors?—I should think that nearly all the landed proprietors in China must be small, from the mode in which property descends. They have, I believe, something like the law of descents in France, which generally divides the property pretty nearly among the children, and therefore the cultivators must come gradually to be persons of small property.

495. Is not it cultivated rather by what we should call cottagers in gardens, than upon a great scale?—I should think the immediate cultivators are persons of small property; but the tea-men, as they are called, those who employ the cultivators in performance of the contracts made at Canton, are persons of generally large capital.

496. Altogether, do you think there is any considerable population engaged in the cultivation of teas?—It must necessarily be so in the production of the commodity, because the manufacture of tea necessarily involves so large a quantity of human labour.

497. Did you ever hear any estimate how many millions were supported by that trade?—No; all our statistical information with regard to China must be very vague indeed.

498. Can you state what intermediate contractors there are between the cultivators of the tea-plant and the Hong merchant? —The intermediate contractors are called the tea-men, who at

22 Feb. 1830.

J. F. Davis, Esq.

the commencement of every year, about the month of February, make their arrangements with the Hong merchants, in reference to the supply of the succeeding season.

499. You are understood to say, that the persons whom you call the tea-men go into the country and buy the tea of the small proprietors, but they are not the advancers of the capital which is required for the cultivation of this tea?—I must repeat, that all our knowledge of details in the interior of China must be extremely vague; and what I have said as to the smallness of individual property, in reference to those cultivators, is in fact chiefly a surmise of my own, deduced from the mode of descent in China.

500. To what do you ascribe the circumstance, that the Factory know so little of the interior of the country?—Because they are confined to a small corner of the empire, and their knowledge cannot be so great as if they had access to several points of it.

501. Do you suppose that those with whom you deal purposely keep you in ignorance, or that they themselves are unable to acquaint you?—I believe the Chinese themselves are generally ignorant of statistical matters; they either have not the curiosity, or they do not possess the means of informing themselves.

502. How long has the trade in British manufactures been a losing trade on the part of the Company?—I think the returns will show for a very considerable period.

503. You know that fact from having seen the accounts?—Yes.

504. Have you any doubt of it?—I have no doubt that they have lost in the long-run very considerably.

505. Does it continue to be a losing trade, or has it improved in that respect?—I fancy that the Company have got a more fair return for some of their articles of importation, in consequence of having diminished the quantity. The prices have experienced very great depression at Canton, in consequence of the importations of the Americans.

506. Would not that circumstance have continued the depression of your profits rather than have increased the prices?—I would not say that the Company have *gained more*, but that they have *lost less*, in consequence of finding it necessary to diminish the supply.

507. Have the Factory always considered it as a losing trade, which was carried on rather to satisfy the people of England than for any profit to be derived from it?—Decidedly; and I would add, that the quantity imported by the Americans has not been more than about one-fourth of the quantity imported by the Company and their officers, for the reason I have already stated,—that the officers can afford to import

British manufactures at a cheaper rate, and that the Company have submitted to losses which cannot be expected from private merchants, from any feeling of regard for the manufacturers of the goods. 22 Feb. 1830. J. F. Davis, Esq.

508. Of course, as this has been a losing trade, you have not felt yourselves bound to extend it?—We have extended it, and in fact kept it up to a point which private merchants could not have kept it to, in consequence of our influence over the merchants, causing them to take the goods, though they lost by some of them.

509. Of course, therefore, the merchants that are forced to take the goods, must put that loss upon some other part of their dealing with the Company?—Possibly upon the teas. Such a trade as that cannot be considered as advantageous to the Company; but the Company have, I believe, continued it to a certain extent, in deference to public opinion, or rather in consequence of the public clamour.

510. Do you suppose that the American who has carried on that trade has been induced to do it from any other circumstance than finding it profitable?—I believe it will be shown that the American importations have fallen off lately; and, in fact, the great bulk of their importations has been in bullion; and I conclude that, if they had found the trade in woollens profitable, it would have been much more extensive than it has been, *viz.* one-fourth of the Company's.

511. Have you not every reason to suppose that that portion which they do carry on, whatever it may be, must be profitable?—I should argue that it was not profitable, from the fact that very large failures and ruin have attended the American trade.

512. Have you any other facts to prove that, except the passage you referred to in the President's speech?—Merely that sort of knowledge which one gains in conversation and by reading.

513. If it can be shown to you in evidence, that the American is making a profit of from 20 to 30 per cent. upon manufactures sent out, while the Company have, according to your own statement, been carrying on generally a losing trade in this article of manufacture, would it not be a satisfactory proof to you that the private trader has had some better means of disposing of his goods than the Company's Factory?—Certainly, in relation to that particular article: the thing speaks for itself.

514. You state, that great advantage is derived in the China trade from large ships in preference to small ones. Supposing a private trade to exist to China, is it not to be presumed that the individuals who carried on that trade for their own benefit would select the sort of ships which carried on the trade to the best advantage?—That is quite a speculative question, and I cannot speak to the result of the experiment.

22 Feb. 1830.

J. F. Davis, Esq.

515. Are you aware whether the Americans have increased the size of their ships lately?—I am not aware of that.

516. Do not the Dutch and other European states also carry on some trade with China?—The Dutch have had three or four ships in China within the last three or four years.

517. Do they act through a factory, or in what manner do they transact their business?—They have lately established a consulate.

518. Do not those who trade between Holland and China carry on their business at the place, without any particular control from any company or factory?—I am not exactly aware that they are under any particular control, beyond that exercised by their consul.

519. Have they, within your recollection, got into any difficulties with the Chinese authorities or government?—It is only very lately that they have resumed their trade they were thrown out of by the war, and they have only resumed it lately; in fact, displaced the Americans in the supply of Holland.

520. Are you aware that the Dutch formerly carried on all their trade through the Dutch East-India Company?—I believe they did.

521. Have you heard from the merchants, or from any persons carrying on that trade at present, any expression of opinion, that the trade was now carrying on to any disadvantage in consequence of its being open and free?—I believe there is something like an association in Holland, at present, for carrying on the China trade, if I am rightly informed.

522. Are you aware that, though it is an association, it is a free association, and it is open to any private persons to make a similar one?—It is; but very little inference can be drawn from the Dutch China trade, it being so very recent.

523. But you are not aware of any difficulty arising from its present freedom?—No specific difficulty; they compete with other foreigners at Canton.

524. Do you know any thing about Cochin China?—Very little.

525. Do you know whether any trade is carried on by individuals with Cochin China?—I think an attempt was made by some Americans, which proved an utter failure. I read something about it in the Edinburgh Review, or in the Quarterly, three or four years back.

526. Has any attempt been made on the part of the Factory, to ascertain whether they could increase the commercial relations with Cochin China, or any of those countries to which we have little access?—An attempt was made by the British Factory, in the person of Mr. Roberts, many years ago, under the auspices of the Supreme Government, but it proved a failure.

22 Feb. 1830.

J. F. Davis, Esq.

527. How many years ago was that?—I cannot state, but it was considerably previous to my entering the service.

528. Was it a mere trading attempt, or was it an attempt to establish some relation between the governments?—It was, I believe, an attempt to establish a trade.

529. You stated that the Chinese felt a peculiar jealousy towards the English, from their neighbourhood in Nepaul and in Ava. Have any circumstances occurred, within your knowledge, which led you to suppose that, or is it merely a surmise of your own?—I think that an edict of the Emperor at about the commencement of the Burmese war, tended to prove that the Chinese were aware of such a contest having commenced, and that they had turned their attention towards their frontier in that quarter.

530. Was there any thing in the proclamation, or in what occurred at the period, which proved at all distinctly that the Chinese government connected the operations in Ava with the British at Canton?—They cannot be ignorant that the British nation is concerned in both places.

531. Then you imagine that they were aware that the same nation which was engaged in hostile operations near their western frontier, was connected with the Factory of merchants subsisting at Canton?—I should certainly think that they could not be ignorant of that; and I know very well that they are fully aware of the existence of our influence in Nepaul; for a Chinese general was either seen or heard of as being very near, by some of our public functionaries, about the time of the Nepaul war.

532. Are you led to suppose that they connect the operations in Ava and Nepaul with the Factory at Canton?—I think their pride would prevent their making such admissions to us; but I feel perfectly certain that they must be aware of our encroachment upon them on those two points.

533. Are they aware that the persons who compose the British Factory at Canton belong to the same nation?—They certainly have never told us in so many words.

534. Has any thing ever occurred which leads you to conclude that they distinctly connect the British Factory with the proceedings in Nepaul and Ava?—Circumstances have occurred, as already stated, which make me feel quite certain of their knowing that those who encroached upon them towards Nepaul and in Ava were the British, and they must connect them with the British in Canton.

535. You stated that the Chinese are incapable of distinguishing foreigners at Canton; how comes it, then, that they distinguish so particularly, in the case of the British Factory, its connexion with those operations on their frontier in another quarter?—They cannot fail to know that there are such flags and such nations as Americans and English; and they cannot,

22 Feb. 1830.

J. F. Davis, Esq.

of course, fail to know who are the English authorities at Canton, and who are not the English authorities.

536. Then, in point of fact, they do make a distinction between the different nations of foreigners?—If they did not make any distinction, they could not treat one better than another. They are not capable of making such nice distinctions as we make; for we can tell an American by his mere accent.

537. Then you mean that they cannot distinguish between individuals?—Certainly.

538. You stated that the American trade has been a declining one; for what length of time has it been declining?—I cannot go very nicely into details, but they are before the Committee.

539. It appears by the returns now before the Committee, that with the exception of the years 1826 and 1827, it has been an increasing trade?—In *amount*; but in *tonnage* it has diminished: and if the amount has remained nearly the same, while the tonnage has diminished, I would ascribe it to this circumstance, that they have given up bringing *manufactures*, which occupy a large space, and brought *bullion*, which occupies a small one; that they have moreover diminished their purchases of tea, which occupies a large space, and bought silks, which occupy a smaller one in proportion to the value. I began, however, with stating that the documents will be a better authority than I am.

540. Are you acquainted with the actual amount of American imports and exports for any one year?—I only speak with reference to those documents which I have examined.

541. Are you aware of the way in which the duties are paid by American merchants upon goods brought from the east of the Cape of Good Hope?—I have understood that the American government gave the traders a year's credit for the duties they had to pay; and that the trade existed to an unnatural extent, in consequence of the credits arising from this custom. That the American government has been obliged to resort to some remedy for its losses.

542. Has the falling off in the American trade been in that with China, or with India?—I speak with reference to the documents which I have seen relating to China.

543. Do you know the actual amount of trade in the years 1826 and 1827?—I have an account, I think, of 1828-9, which exhibits six millions and a half of dollars.

544. You state that in your travels in China you have perceived British manufactures in the interior of China; can you state any particular place where you saw them; at Pekin, for instance?—No; it was only in the neighbourhood of Canton. We, in fact, became sensible of our approach to Canton by the recurrence of shops containing British manufactures.

22 Feb. 1830.

J. F. Davis, Esq.

545. Was it solely in the province in which Canton was situated, that you saw British manufactures exposed for sale? —I cannot speak to that; but it was only in the *southern part* of the empire. In fact, the recurrence of such goods was more frequent in proportion as we approached Canton.

546. You stated, that it had been the earnest endeavour of the Company's Factory at Canton to extend their trade, if possible, but that they had been unable to do it?—They have certainly extended their trade very much in tea.

547. Were you at Canton in September 1828?—I was.

548. Did you hear that a ship called the Merope had returned to Canton after having been a voyage as high up as to Ningpo, having made a very profitable voyage, and converted the whole of her cargo to a very large extent into specie?—It must have been entirely surreptitious, if she did; and I judge that her cargo was opium.

549. Do you conceive that such a thing would be possible? —I should say very improbable, until the fact spoke for itself. From surmise, I should say it was a thing that could not easily occur; but that by *smuggling* a ship might manage to introduce goods in that way.

550. You have stated, that the Chinese government have issued many edicts against smuggling; have those edicts been carried into force or not?—They certainly have, to the utmost capability of the weak Chinese government. I would say that they have rather shown the hostility of the Chinese government to the system, than that they have been very effective in suppressing it.

551. Do you consider that smuggling has been decreased by them, or the contrary?—I should say that the weak and ill-organized government of China cannot follow up its edicts by a corresponding effectiveness; and they have probably, in a great measure, proved unavailing.

552. You stated, that the Americans laboured under disadvantages in their intercourse with Chinese; what inconvenience can you state ever to have arisen from the intercourse between the Americans, carried on as it is, and the Hong merchants?—They have suffered very severe distress and misfortune, in the case of a homicide, from their want of union.

553. In their commercial transactions, to what disadvantages are they subject?—I should simply argue, from the ruin of American houses engaged in Chinese commerce, that the commerce has been a losing one.

554. Then you have no reason to suppose that there is any difficulty whatever in the Americans carrying on their transactions with the Chinese in Canton, but only that the result of the trade is probably a losing one?—A great many inconveniences. They cannot make their grievances known to the government.

22 Feb. 1830.

J. F. Davis, Esq.

555. Have you ever known any inconvenience arise to them from that?—Yes; I have known individuals attempt to communicate their grievances in the written character, and the document which contained that character was returned to them unopened.

556. Has their trade ever been interrupted in their transactions with the Hong merchants?—Very much indeed, in the year 1821.

557. Has there been any other case besides that?—Yes; I believe that very considerable delay has arisen from the prices demanded for the teas not being suited to the Americans, and they have been obliged to hold back for long periods.

558. In those cases have the Hong merchants yielded?—It was not with the Hong merchants that they have generally dealt, but principally with unlicensed people, contrary to the regulations of the government. Of course they *have* dealt with the Hong merchants occasionally, as well as with the others.

559. In the cases to which you allude, in which, as you say, a sort of stand has been made, have the Americans generally obtained the tea at their own prices, or have they been obliged to come to the prices of the Chinese?—I should think they must have given in, in most cases; but I cannot speak with the same correctness to the transactions regarding the Americans and Chinese as I can with regard to our own transactions.

560. When the East-India Company ship a quantity of woollens to China, do they send you an invoice of those goods?—They do.

561. Do they add to that the charges of freight, &c. as in a common mercantile transaction?—It is all calculated in the invoice.

562. And then you turn that over into the money of the country?—Yes, and endeavour to get the best price we can.

563. Do you turn it over at the current exchange, or at the 6*s.* 8*d.*?—We turn it over at 6*s.* 8*d.* a tale.

564. Is 6*s.* 8*d.* the current exchange?—It is the value which has been settled for many years.

565. How far does that calculation of 6*s.* 8*d.* vary from the real rate of exchange within your knowledge?—The rate of exchange at Canton, in the case of the dollar, has been very fluctuating since I have been in the country, and has fallen since the war.

566. Supposing you turn over the invoice amount of goods into tales at the rate of 6*s.* 8*d.*, and the current exchange is either above or below that, must it not give you a false result?—The exchange of dollars is only with regard to the dealings of foreigners at Canton, and foreigners elsewhere. It has nothing to do with the value of silver among the Chinese. The

fluctuations in the value of the dollar have had nothing to do with the value of silver on the spot among the Chinese themselves. 22 Feb. 1830.

J. F. Davis, Esq.

567. How do you sell the woollens; for so many tales or so many dollars?—The woollens are generally sold in tales.

568. Which are carried to the credit of the East-India Factory's account, at the rate of 6*s.* 8*d.*?—Yes.

569. Whatever be the real rate of tales at the time?—The value of the goods in dollars is found by turning over their price in tales into dollars. I still say that the fluctuations in the value of the dollar can have no reference to the value of money among the Chinese; they are simply in reference to the exchange with the countries to whom those foreigners wish to remit the dollars: it is an affair entirely between the European in China and the European in Europe, or elsewhere; they have no reference whatever to the value of the money among the natives.

570. How do you get at the profit and loss on these woollens, because the woollens are sold in tales; how do you turn those tales over into English money?—The tale is a nominal value; there is no coin of that kind; it is a weight of silver, and not a coin.

571. Why do you say that the tale varies in value?—The value of money must necessarily vary among the Chinese; but the fluctuations in the exchange of the dollar at Canton have no reference whatever to the fluctuations in the value of money among the Chinese.

572. Are not those woollens always sold for so much money? —They are sold nominally in tales.

573. Without any reference to the return in tea?—Certainly; it is not a barter transaction.

574. Are they generally sold to different people?—They are sold to all the Hong merchants, in the same proportion in which those Hong merchants receive our woollens. The supply of tea, on the part of the Hong merchant, is proportioned to the quantity of our manufactures which he takes from us: and that is the inducement to him to take our manufactures; because the more he takes of our goods the more we take of his tea. The tea is a gaining transaction to him.

575. So that, although not really a barter, it is in effect a barter?—No; because we take much more of tea than we sell of manufactures.

576. Do you buy tea of any parties to whom you do not sell woollens?—No; we buy tea of all the Hong merchants, and we sell manufactures to all the Hong merchants, The quantity which they take of the manufactures bears a proportion to the quantity of their contract teas.

577. Are the prices of the contract teas higher or lower generally than that of the tea which is bought upon the spot?—The quality is superior, and therefore the price is higher.

Martis, 23° die Februarii, 1830.

CHARLES MARJORIBANKS, Esq, again called in and examined.

23 Feb. 1830. — *C. Marjoribanks, Esq.*

578. CAN you state the prime cost of the different sorts of tea per pound paid by the Company, in any given year, at Canton?—I cannot state from recollection; but the Company's books from China will distinctly show it. The common price of contract congo teas, which forms the bulk of the investment, is 25, 26, 27, 28, and 30 tales per pecul; that is, 133⅓lbs.

579. How is that price settled; is that according to the market price at Canton, or according to a contract?—There are three-fifths of the Company's congo teas which are contracted for with the Hong merchants in the previous season to the season in which they are delivered; and two-fifths of the congo teas consist of old teas which are purchased at the conclusion of the season. These teas are contracted for by the Hong merchants with the tea merchants, the particular descriptions of teas that the Company require being described to them. Upon the arrival of those teas in Canton they are subjected to every possible scrutiny which is supposed to be desirable, to ascertain their quality, when the prices given for them are established.

580. Upon what rule are the prices established?—Upon the quality of the teas, founded on the reports of the tea inspectors.

581. Is that with reference to the price in the market at Canton?—Not in the case of the contract teas.

582. For what length of time are the contracts generally entered into?—The contracts are concluded with the Hong merchants in the month of March for teas to be delivered in the ensuing season.

583. Is it then an annual contract?—It is annually made.

584. Are there considerable variations in the contract from year to year?—The amount quantity varies according to the varying demand; the prices are not fixed until the teas are delivered.

585. Then is it a matter of agreement between the tea inspectors and the Hong merchants what the price of the tea shall be in each year?—Not at all. It is a matter of agreement between the Company's Select Committee and the Hong merchants. The reports of the tea inspectors are made to the Select Committee: the members of that Select Committee are present in the Tea Hall where those examinations take place; they hear the reports of the tea inspectors, and are principally guided by their reports: but the tea inspector has nothing whatever to do with the settlement of the price of tea; that rests entirely with the Committee.

586. The settlement of the price of tea is an annual settlement?—It is an annual settlement, so far, that I think I stated

23 Feb. 1830.

C. Marjoribanks, Esq.

that for the teas of a certain quality and certain description, certain prices were given. Those prices were not determined according to the character of the tea given by the Hong merchant, but according to the real character which it was found to deserve after inspection.

587. Are those the contract teas?—The contract teas, and every tea that comes in the Company's investment; the price of that is not established by any old standard, but by the real merits of the tea itself.

588. Is that an annual settlement; and do the prices, in point of fact, vary much from year to year?—The prices do vary.

589. Do they vary considerably from year to year?—They so far vary, that in some seasons we have a very good supply of teas, and in other seasons an inferior supply; and in those seasons, of course, the price paid for them is less.

590. Can you give an instance of the variation from year to year?—No, I cannot charge my recollection; I should be sorry to speak to any thing which can be shown so much more accurately by printed statements.

591. Do you mean that there is an invariable price for best, an invariable price for moderate, an invariable price for the inferior sort of tea, and that the only variation in the price is according to the proportion which the best, the moderate, and the inferior bear to each other when they are brought in?—If I were to endeavour to give the characters of the teas employed in China, I believe they would not be intelligible to this Committee. The terms employed are found useful in rating the qualities of the teas, and the teas that are found to deserve those characters are placed under them, and the prices given for them are according to the quality which it is found the tea really possesses.

592. Do you mean to say that there is an invariable price paid year by year for the same quality of tea, or that the same quality may one year with another fluctuate in its price?—That applies to some of the teas, but not to all.

593. Will you state to what teas that does not apply?—The question is in some respects complex; as the teas which are purchased as winter teas are received by different standards from the teas which are purchased under contract. Those general questions do not apply to the tea investment generally.

594. Can you give the Committee the names of the teas, and the average amount of the teas which are subjcet to that con-

23 Feb. 1830.

C Marjoribanks, Esq.

tract, and which are excluded from it?—Congo as well as twankay teas. The part of the investment consisting of contract congo is about 120,000 chests annually.

595. What is the quality of the congo tea?—It is a remarkably good black tea. But congo is a general term; there are several different classes of congo.

596. What may be the average export of congo tea from Canton on the part of the Company?—Upwards of 200,000 chests. But this is not all contract congo; there is a good deal of that winter congo.

597. What proportion would the winter congo bear to the contract congo?—The winter purchases of the Company are, I think, from 90,000 to 100,000 chests.

598. With respect to bohea, what proportion does the contract tea of the sort called bohea bear to the winter bohea?—There is no winter bohea. The bohea tea is a lower description of tea, which is used as a flooring for the Company's ships; the proportion of that to the general investment is very small. I am unwilling to state the proportion, unless I could state it perfectly accurate; but it is proportionably small.

599. Is not the bohea tea commonly estimated at about 9*d.* a pound in the prime cost?—We buy it at from 14 to 17 tales a pecul.

600. What is the price of congo tea paid by the Company?—At present the Company's price is at 25, 26, 27, 28, and 30 tales per pecul.

601. Do you speak of the tale at 6*s.* 8*d.*?—I speak with reference to the conventional value of the tale at 6*s.* 8*d.*; but I do not consider the tale to have that value. I should say, in explanation of the value of a tale, that I believe if a tale weight of dollar silver were melted down, and 6*s.* of English money were also melted down, that they would yield nearly equal parts of pure silver; which, according to that estimate, would not give the tale at more than 6*s.* as compared with English money.

602. Can you state the proportion that the port charges at Canton would bear upon a pecul of bohea tea?—No, I cannot from recollection.

603. Can you state at what rate bohea tea is put up here?—I only know from the papers before Parliament; I have no personal experience of the India-House sales. With respect to the prices of congo tea, I may state that in the year 1825 the Company's prices of congo teas were reduced one tale per pecul upon every class of teas; and the result of that was, a

saving upon the Company's investment of about £20,000 sterling per annum. 23 Feb. 1830.

C. Marjoribanks, Esq.

604. Did the same reduction in price take place in other teas; bohea for instance?—Not at that period.

605. Subsequently did a fall in price take place in bohea teas?—The price has varied, but I do not remember the precise variation.

606. Can you state the prime cost of souchong tea?—30, 32, 34, 36, 38, 40 tales per pecul.

607. Are there any copies kept of the accounts sent home by the Select Committee?—All accounts with reference to the Company's purchases are regularly sent home.

608. Can you state what the Canton charges consist of?—The charges for the establishment of the Factory, the Factory rent, the wages of Chinese in the Company employ, and there are certain charges on merchandise which enter also to some amount into these charges, boat-hire to carry teas to the ships, linguist's fees, marking Company's chests, &c.

609. Can you state the amount of them in any one year?—I think the charges I speak of generally amount to about 100,000 dollars.

610. Is not the tea taken from the Hong merchants, who receive English goods in return, upon certain shares of which the Hong merchants have a certain quantity?—The Company's business is divided into twenty-one shares, which are apportioned differently amongst the different Hong merchants. The quantities of teas supplied by them upon contract is in proportion to those shares.

611. Are not the English manufactured goods, which they receive in return, also apportioned in certain shares?—With the greater part of the woollens that is the case.

612. Is it the fact, then, that each merchant who has a certain proportion of this trade delivers a certain quantity of tea, and receives a certain quantity of goods?—No, I did not state it in those terms.

613. Can you give the Committee an account of the share which any one individual has had in furnishing tea to the Company?—I can state what the shares of the merchants are. The senior merchant has four of the twenty-one shares, the next four in succession have three, and the remaining two merchants have two and a half shares each.

614. What is the amount of a share?—It depends upon the extent of the investments.

23 Feb. 1830.

C. Marjoribanks, Esq.

615. Is it equally divided according to the investment of the year?—The Company's business is divided into twenty-one shares, apportioned as I have stated.

616. Do the Hong merchants that furnish this tea all of them receive a certain quantity of woollens or other articles imported by the Company into Canton?—No; all the imports are not regulated in the same way. They have received the greater proportion of Company's woollens according to their shares for a distinct and decided reason, that the merchants have always complained that the woollens which they have received have been no gain to them, and on some occasions a loss: therefore it has been considered equitable that the merchants who have the largest portion of the teas received from them, should take in return the largest proportion of British manufactured goods.

617. In point of fact, each individual having a share of the tea trade does receive a certain proportion of woollens from the Company?—He receives his proportion according to the proportions I have stated.

618. In the settlement of the account between the Company and those individuals so furnishing a portion of the tea and receiving a portion of woollens, how is it conducted?—It is conducted upon the same principle as other mercantile transactions. The merchants, who deliver more in value than they receive, have the balance paid to them.

619. But the one, as far as it goes, is set off against the other?—Not always: generally speaking it is so. There have been sometimes importations on the Company's account at the period when no teas have been received. Of course, the merchants who have received the goods as imported would be required to pay the amount value of them into the Company's treasury.

620. In all those cases in which there have been accounts on both sides between the Hong merchants and the supercargoes and woollens, a balance is struck between them, estimating the woollens at a given price, and the tea at a given price?—I scarcely understand the question. The trade, in cases where goods are received and delivered, is conducted on similar principles to those applying to mercantile transactions all over the world—the debtor and creditor account is settled between the parties.

621. In what way is the value of the woollens estimated by the supercargoes?—They receive information as to prices of the woollens in the markets of China from the Hong merchants, as well as from other sources which are open to them. Though

23 Feb. 1830.

C. Marjoribanks, Esq.

the Company's servants are confined in their commercial transactions to the Hong merchants, their ears are open to information from every quarter which may be considered one of intelligence. They are aware of the state of the China market for woollens and any other description of goods.

622. Is the value of woollens settled by the Select Committee upon such evidence as they obtain?—It is adjusted between them and the Hong merchants. The Hong merchants have frequently been required to receive woollens, when they have made very serious objections to it.

623. Are any of those woollens ever sold by the Company to any other parties than the Hong merchants?—I think not. A small experimental consignment of some goods may, upon some occasion, have been sold to some other person, but the commercial transactions of the Company in buying and selling are confined to the Hong merchants.

624. Then it follows, that the price settled between the supercargoes and the Hong merchants must be a price which is obtained from information about the market, and not from actual dealings in the market on the part of the supercargoes?—The supercargoes do not go into the retail market to sell the cloth, but they receive information from every source which is open to them, and according to their information they are guided in the adjustment of prices. I believe the supercargoes have equal means of obtaining general information in China with other persons.

625. The fact being, that it is a sale by one party possessing a monopoly to another party possessing a monopoly?—That is a question which involves the word *monopoly*, to which different persons give different significations. The Company's is a monopoly in some respects and not in others.

626. In what respect is the Company's trade with China not a monopoly?—British ships from every port in Asia are permitted to arrive in China. The Company have allowed British merchants to remain in China, with and without the diplomas of foreign consuls; they have given every encouragement to British commerce in China. There are very numerous instances which can be stated, where the Company has not what is called a monopoly in an invidious sense of the word. I conceive, under the protection of the Company, the British trade generally at Canton has originated and has been preserved.

627. Then, so far as the free trade is concerned, is there not a monopoly on the part of the East-India Company for the export of teas to all parts of the British possessions?—There are powers vested in the Company by acts of the Legislature,

29 Feb. 1830. — C. Marjoribanks, Esq.

to trade exclusively from the dominions of the Emperor of China in tea. The Company, however, give tea licences to country ships, which proceed to different ports in Asia, to carry teas there for the consumption of those ports: in these, New South Wales is included. I may state, with regard to the word "monopoly," that since I have been acquainted with China, I have never known a Company's servant there to show the least wish unnecessarily to restrict the limits of British commerce, or to interfere with the fair trader, as long as he conducted himself in a manner that could not endanger the general trade in Canton.

628. By whom are the licences to export tea from Canton to India given?—By the Select Committee.

629. Is not also the furnishing woollens to the Hong merchants a trade exclusively in the hands of the Company, in so far as that can be carried on by Britons?—No; they allow their captains and officers to import woollens into China, and I know no prohibition against their being imported into China in country ships.

630. Is not there a prohibition of the export of woollens?—I do not understand the question.

631. Is it not the fact that they were prohibited by the English law?—I am not accurately acquainted with the provisions of the English law. I do not imagine that the Company ever exercise any power which is not vested in them by the Legislature. I do not remember that their representatives in China interfered in the importations of private ships.

632. Can you state the amount of tonnage allowed to the officers of the East-India Company to export goods from England or India to Canton?—I can only speak from recollection of what can be much more accurately shown by documents; but I think the Company allow their officers two-fifths of the ships' tonnage upon their own account, from port to port in India. I do not remember the precise amount of tonnage granted to the commanders of direct ships; but the Company's direct ships rarely go out with full cargoes; and no refusal is, I believe, given by the Company to officers exporting any goods upon their own account, which they may be desirous of doing.

633. Can you state the actual price at which cloth of different descriptions was sold to the Hong merchants, in any given year, by the supercargoes?—I must plead defect of memory on those subjects; those statements are all regularly sent home.

634. Can you furnish that statement to the Committee?—I can do so.

635. Have the Company exported any cotton-yarn to China within the last few years?—The exports of cotton-yarn to Canton the year I left China had been very limited. The Company exported cotton-yarn as an experimental consignment: but it was only within the last two years that it has been introduced into China. I may refer the Committee to a general statement of British trade at Canton. I have here a Statement of British trade at the port of Canton for the year ending the 30th of June 1828, which shows the precise amount of the trade on the Company's and private account.

[*The witness delivered in the same.*]

CORRECTED STATEMENT of the BRITISH TRADE at th

		Tales.	Dollars.
IMPORTS			
on account of	Broad cloth...................... *bales* 4,154 .. *yards* 431,816	553,650	
the Hon. Company.	Long ells .... 5,003 .. *pieces* 100,060	578,760	
———	Worleys............................. 300 6,000	39,000	
Imports remaining over	Camlets 470 4,700	98,136	
Season 1826-7.	Mohair camlets 2 15	486	
Long ells ..*tales* 197,222	British calicoes 612 15,300	77,112	
Worleys 26,000	Blankets and scarfs 2 71	204	
Camlets 68,904	British Iron .... *peculs* 30,261	104,430	
	Lead 30,246	124,472	
Tales 292,126	Cottons, Bengal 39,336 86,312	798,554	
	Do. Madras 12,029 27,065	240,917	
Imported by Country	Do. Bombay 22,486 62,829	621,725	
Ships, 1828-9:	Sandalwood .... *billets* 32,654 1,873	16,203	
Cotton, Bengal,			
Bales 16,642		3,253,649	4,518,95
Peculs...... 35,251			
Tales 324,559			
	ON PRIVATE ACCOUNT:		
℘ H.C. Ships:			
Cotton, Bengal 34,962	Cotton, Bengal ......*pec.* 41,487 at 9 *t.* 6 *m.* ℘ *pec.* *ts.* 398,275		
Do. Madras 387	Do. Madras .... 387 — 9 *t.* 5 *m.*........ 3,676		
Do. Bombay 32,046	Do. Bombay..........228,664 — 9 *t.* 2 *m.*........ 2,103,709		
		2,505,660	3,480,08
Peculs 67,395	Opium, Malwah..... *ch.* 3,080 at 1,185 *drs.* ℘ *ch.* *drs.* 3,649,800		
	Do. Patna and Benares 7,191 — 1,056.............. 7,593,696	*Dollars.*	
		11,243,496	
℘ H.C.Ships *pec.* 14,252	Pepper......................... *pec.* 14,252 at 7 *drs.* ℘ *pec.* ..	99,764	
12,574	Rattans .... 14,614 — 5	73,070	
21,566	Betel-nut.......................... 31,800 — 2¼..............	71,550	
1,260	Putchuck .... 1,334 — 12	16,008	
142	Sharks' fins........................ 2,030 — 18	36,540	
	Olibanum .... 522 — 5	2,610	
665	Blackwood .... 700 — 6	4,200	
1,455	Sandalwood .... 5,150 — 20	103,000	
	Ivory.............................. 762 — 80	60,960	
1,158	Saltpetre.......................... 1,200 — 5½..............	6,600	
136	Cloves .... 196 — 60	11,760	
3,552	Flints .... 3,552 — 2	7,104	
Catties 25	Amber, very inferior.......... *catties* 25 — 12 *drs.* ℘ *cat.* ..	300	
Peculs 4,188	Iron.......................... *pec.* 4,188 — 2½ *drs.* ℘ *pec.* ..	10,470	
2,084	Lead .... 2,084 — 6	12,504	
3,019	Tin .... 3,019 — 20 .... :	60,380	
70	Speltre .... 70 — 10	700	
	Broad cloth.................... *yds.* 25,725 — 1 & 2 *drs.* ℘ *yd.*..	34,467	
Dollars 18,000	Woollens, various kinds	25,775	
33,617	Cotton goods, British long cloth, &c..................................	66,487	
	*Cotton Yarn .... *pec.* 214 (invoice cost)	14,000	
	Pearls, estimated value	48,400	
	Cornelians, ditto..	51,500	
8,400	Clocks and machinery, ditto	84,500	
	Rice, Manilla .... *pec.* 3,000 — 2 *drs.* ℘ *pec.* ..	6,000	
	Rhinoceros' horns, and cows' horns .. 36 — 60	2,160	
	Fish maws.......................... 210 — 75	15,750	
	Myrrh.............................. 48 — 15	720	
25,527	Sundries; estimated value	195,285	
			12,365,56
Opium, ℘ Portuguese Ships, 1827-28:			
Dumaun ..*Chests* 1,988			
Company's Patna 73			
Do. Malwah 413			
Chests 2,474			
Opium on hand, 1st July 1828.			
Patna..... *Chests* 2,482			
Benares 421			
Malwah 1,532			
Chests 4,[illegible]35		*Dollars*	20,364,600

* This cotton yarn was returned to Bombay.

Port of CANTON, for the Year ending 30th June 1828.

			Tales.	*Dollars.*
EXPORTS on account of the Hon. Company.	Bohea .... *peculs* 28,967 ..	*ts.* 437,552		
	Congo 161,545	3,935,447		
	Souchong 1,605	60,229		
	Twankay 38,617	1,043,758		
	Hyson 4,663	236,333		
	Hyson-skin 1,611	43,553	5,756,872	
Tales.	North American investment, including supracargoes' commission	309,808		
Unloading charges 13,689				
Factory expenses 75,954	Cape stores, teas and sundries	29,168		
European estab. .. 5,982	St. Helena stores, and stores to Bengal and Bombay	9,237		
Expen. of schooner 1,205			348,213	
	Port charges on 28 ships (Boyne included)	109,004		
Tales 96,830	Unloading charges, Canton Factory expenses, Canton European establishment, expenses of schooner, &c. ..	96,830	205,834	
			6,310,919	8,765,165
	ON PRIVATE ACCOUNT.			
℘ H.C.S. to England	Congo .... 5,666 at 21 *ts.* ℘ *pec.* ..	*ts.* 118,860		
	Campoi, Souchong, Pouchong 3,110 — 32	99,520		
	Pekoe .... 464 — 38	17,632		
	Twankay .... 602 — 26	15,652		
	Hyson .... 2,628 — 46	120,888		
	Hyson-skin .... 945 — 26	24,570		
	Gunpowder .... 60 — 50	3,000		
℘ Country Ships	Black tea .... 860 — 30	25,800		
	Green tea .... 1,735 — 42	72,870	498,792	692,767
℘ H.C.S. .... *pec.* 1,706	Raw silk, Nankin .... 1,834 —450 *drs.*	*drs.* 825,300		
	Do. Canton, of sorts 1,736	319,920	*Dollars.* 1,145,220	
Pieces 227,800	Nankeen cloth, large brown .... *pcs.* 396,400 — 98 *drs.* ℘ 100 *pcs.*	388,472		
	Nankeen cloth, 2d sort .... 325,400 — 75	244,050		
	Nankeen cloth, 3d sort, small .... 36,200 — 48	17,376	649,898	
	Sugar candy .... *pec.* 9,420 — 12 *drs.* ℘ *pec.*		113,040	
	Soft sugar .... 34,139 — 6		204,834	
	Cassia lignea .... 3,648 — 20		72,960	
— 56	Tortoiseshell .... 56 — 1,000		56,000	
— 275	Mother-of-Pearl .... 275 — 15		4,125	
Dollars 31,500	Wrought silk, silk piece-goods, crapes, scarfs, &c.; estimated value		200,925	
	Coarse china-ware .... ditto		49,100	
241,000	Bamboos and whangee canes 241,000 — 15 *drs.* ℘ 100		3,615	
	Musk .... *catties* 90 — 80 .. ℘ *catty*		7,200	
	Glass beads, &c. ...... *peculs* 800 — 20 .. ℘ *pec.*		16,000	
Table 1,660.. *floor* 660	Table and floor mats .. *sets* 2,320		3,584	
Peculs 119	Vermillion .... *boxes* 460 — 44 .. *per box*		20,240	
— 262	Rhubarb .... *peculs* 262 — 65 .. *per pecul*		17,030	
	Cochineal .... *do.* 147 —500 .. *do.*		73,500	
Pieces 5,000	Damasks .... *pieces* 5,000 — 16 *drs.* ℘ *piece*		80,000	
	Writing paper, toys, kittysols, fireworks, lacquered ware, &c.; estimated value		38,086	
Catties 36	Seed Coral .... *catties* 36 at 30 *drs.* ℘ *catty*		1,080	
	Brass foil .... *peculs* 265 — 58 ℘ *pecul*		15,370	
	Alum, aniseed, China root, galengal, gamboge, &c.		15,702	
	Gold .... *tales wt.* 300 — 25 *drs.* ℘ *tale*		7,500	
	Camphor .... *peculs* 885 — 30 ℘ *pecul*		26,550	
Dollars 2,270	Sundries; estimated value		47,795	
	Dollars, Sycee and Peruvian silver		6,094,646	8,964,000
Remittances through the Company's Treasury, 1827-8 and 1828-9: *Dollars.*	Disbursements on nineteen regular ships, at *drs.* 9,000 each; eight chartered and thirty-nine country ships, at *drs.* 7,000 each, measurement of country ships included			500,000
Bills on the Hon. Court 78,201				
Certificates.... 447,143				18,921,932
Bill on the Bengal gov. 2,417,560	Balance			1,442,668
Dollars 2,942,904	*Dollars*			20,364,600
Command on cotton bonds *d.*671,068				

23 Feb. 1830.

C. Marjoribanks, Esq.

636. Does that show the quantity of cotton-yarn imported?—There is cotton-yarn imported on private account in this year to the amount of 14,000 dollars.

637. Does the private trade include the trade of the Company's officers?—It does.

638. Can you state the amount of cotton-yarn imported in the subsequent year?—I can furnish the Committee with it, but I have it not with me.

639. Do you know what the numbers were of the cotton yarn that were exported?—I do not remember the precise numbers, but the Chinese objected to very fine descriptions of cotton-yarn, inasmuch as they could not work it up in their cloths.

640. Can you give the Committee any account of the cotton piece-goods imported?—In the year 1828, it is given to the amount of 66,487 dollars.

641. You stated that the Hong merchants take a certain proportion of the Company's woollens in proportion to the quantity of tea furnished: is the contract for taking the woollens made at the same time with the contract for furnishing the tea?—The price of the woollens is settled at the period at which the woollens are delivered to the merchants; the contract for the teas is made the year previously, and the prices adjusted when the teas are delivered.

642. The contract for the price of teas is not made at the same time with the contract for the price of woollens?—The prices of teas and the prices of woollens have no reference to each other; they are established separately.

643. Does raw or manufactured produce find the best market at Canton?—Raw produce, generally speaking.

644. Is that because the Chinese government wishes to protect its own manufactures?—I conceive the Chinese government have a disposition to protect their native industry and their own manufactures. I should be led to draw that conclusion from the very high duty which is placed upon the article of camlets, the sale price of which in China is generally about 40 dollars, and the duty upon it is 18 dollars, being nearly 50 per cent. upon the sale value. The camlet is the nearest approximation to their silk manufactures. We do not possess the same power over the Chinese as we do over our Indian empire. We have excluded the manufactures of India from England by high prohibitory duties, and given every encouragement to the introduction of our own manufactures into India. By a selfish (I use the word not invidiously) policy, we have beat down the native manufacturers of Dacca and other places, and have inundated their country with our own goods. We do not possess the same power over China; we may exclude their manufactures by high duties, but we cannot compel the Chinese to receive ours on our own

terms. I should think they have sagacity enough to protect themselves.

645. Do the Chinese object to the English calicoes as not equally durable with their own?—Yes, they consider them more flimsy and less durable.

646. Are those camlets frequently smuggled into the country? —Very frequently, from the very high duty and consequent temptation.

647. Are you acquainted with the manufactured calicoes of India?—I have seen them.

648. Are they not superior in point of strength to those which are exported from this country?—I cannot speak to that point.

649. You have stated, that the assumed value of the tale by the East-India Company is 6*s*. 8*d*., can you state what is the assumed value of the tale by the Americans?—All the American purchases and sales are conducted in dollars and cents, without any reference to the tale.

650. Besides camlets, what other articles of British manufacture are subject to duty in China?—All articles. I speak of camlets as being subject to an extraordinary high duty; and I account for that by its being a nearer approximation to their silk manufactures than any other article of British manufacture which is imported into China.

651. Is the duty upon calico what you would call a high duty, with reference to the duty upon camlets, for instance?—No; the duty on camlets is higher in point of relative value.

652. How is New South Wales supplied with tea?—By licenses, which are granted by the Select Committee in China to private ships which carry tea to New South Wales.

653. Is it a direct trade. Have you a list of Chinese duties? —It is generally a direct trade, though sometimes the ships stop at Batavia. I have here a list of Chinese duties said to be charged by the Hong merchants on goods imported into Canton. I believe this list of duties to be compiled from as accurate sources as possible. I have heard private British merchants resident in Canton declare the very great difficulty they had in ascertaining the accuracy of the Chinese duties. I beg to state that that list of duties was acquired entirely for my own private information, with no view to laying it before a Committee of the House of Commons.

(*The witness delivered in the same, which was read as follows:*)

23 Feb. 1830.

C. Marjoribanks, Esq.

Estimated LIST of DUTIES charged by the Hong Merchants on Goods imported into Canton.

	t. m.	t.	m.	c.	c.		£.	s.	d.	lb Avoird.
Cotton	1 3 at	1	5	0	0	℘ pecul	0	8	8	at 10s. ℘ 133⅓
Sandal wood		2	1	0	0	—	0	14	0	ditto
Black wood or ebony		0	4	9	0	—	0	3	3·20	ditto
Japan wood		0	6	3	0	—	0	4	2·40	ditto
Camphor, 1st sort		109	2	3	2	—	36	8	2·56	ditto
2d		1	9	7	0	—	0	13	1·60	ditto
Olibanum		1	2	0	0	—	0	8	0	ditto
Putchuck		2	1	0	0	—	0	14	0	ditto
Myrrh		2	2	3	4	—	0	14	10·72	ditto
Cutch		0	8	4	5	—	0	5	7·60	ditto
Tortoiseshell		7	0	0	0	—	2	6	8	ditto
Elephants' Teeth		5	8	6	1	—	1	19	0·88	ditto
Rhinoceros' horns		24	0	2	1	—	8	0	1·68	ditto
Buffalo do.		12	0	8	7	—	4	6	0·96	ditto
Mother-of-pearl shells		0	4	3	6	—	0	2	10·88	ditto
Birds' nests, 1st sort		24	1	3	2	—	8	0	10·56	ditto
2d		4	5	0	0	—	1	10	0	ditto
Bicho do Mar		0	7	1	8	—	0	4	9·44	ditto
Shark fins		1	0	9	1	—	0	7	3·28	ditto
Fish maws		1	3	2	0	—	0	8	9·60	ditto
Rattans		0	4	3	6	—	0	2	10·88	ditto
Pepper		0	9	8	3	—	0	6	6·64	ditto
Betel-nut		0	3	9	6	—	0	2	7·68	ditto
Cloves		5	8	1	0	—	1	18	8·80	ditto
Nutmegs		4	4	0	9	—	1	9	4·72	ditto
Tin		1	6	8	9	—	0	11	3·12	ditto
Iron		0	2	8	0	—	0	1	10·40	ditto
Copper		1	2	0	0	—	0	8	7·20	ditto
Lead		0	6	8	6	—	0	4	6·88	ditto
Steel		0	7	0	2	—	0	4	8·16	ditto
Quicksilver		1	4	4	4	—	0	9	7·52	ditto
Amber, large		13	4	1	3	—	4	9	5·04	ditto
small		6	7	8	3	—	2	5	2·64	ditto
Coral beads		132	7	5	3	—	44	5	0·24	ditto
Branch, 1st sort		132	5	1	3	—	44	3	5·04	ditto
2d		79	7	1	3	—	26	11	5·04	ditto
3d		13	4	1	3	—	4	9	5·05	ditto
4th, or fragments		6	7	8	3	—	2	5	2·64	ditto
Cotton handkerchiefs, large		0	0	3	0	each	0	0	2·40	each
small		0	0	1	5	ditto	0	0	1·20	ditto
Longcloths, 1st sort		0	6	7	0	piece	0	4	5·60	℘ piece
2d		0	2	9	0	ditto	0	1	11·20	ditto
Broadcloth		0	6	7	8	℘ 10 covids	0	4	6·24	℘ 10 ft. 5 in.
Kerseymere		0	4	0	6	ditto	0	2	8·48	ditto
Camlet, English		0	8	4	0	ditto	0	5	7·20	ditto
Dutch		1	4	7	6	ditto	0	9	10·08	ditto
Long ells		0	2	7	0	ditto	0	1	9·60	ditto
Scarlet cuttings		6	0	7	0	℘ pecul	2	0	5·60	℘ 133⅓ lb
Bees'-wax		1	7	9	0	ditto	0	11	11·20	ditto
Land otter skins		1	8	1	2	℘ 100	0	12	0·96	℘ hundred
Sea otter skins		1	3	1	5	ditto	0	8	9·20	ditto
Rabbit skins		0	4	6	2	ditto	0	3	0·96	ditto
Beaver skins		6	1	2	0	ditto	2	0	9·60	ditto
Ginseng		48	9	0	0	℘ pecul	16	6	0	℘ 133⅓ lb
Cudbear		0	2	8	0	ditto	0	1	10·40	ditto
Cochineal		1	9	2	9	ditto	0	12	10·32	ditto

N.B.—The China rates are reduced into sterling at 6s. 8d. per tale. The covid is equal to 12¼ inches; and the pecul to 133⅓ pounds avoirdupois.

654. Could you, from an inspection of this document, state to the Committee the amount per cent. of the duties upon the value of any of these articles?—I can have it rated, but I could not immediately state it.

655. Are those fixed duties, or do they vary in different years?—We have been told sometimes that the duties are charged differently. Every foreign trader has been desirous of paying his own duties, but that has always been prohibited. It was among the requisitions made by Lord Macartney of the

23 Feb. 1830.

C. Marjoribanks, Esq.

Viceroy of Canton, but was then, and has been subsequently, refused.

656. Has the duty upon camlets varied materially in your recollection? – I think that has remained steadily at the rate of about eighteen dollars per piece.

657. Notwithstanding this high duty, is there much demand for them in China?—There is a considerable demand. I believe it is an article in which smuggling has taken place to a great extent, from the temptation which a high duty always gives.

658. Can you give the Committee any idea of the quantity of camlets that has been imported by the East-India Company into China? It is stated in the Returns.

659. Are the Committee to understand, that the whole of the duties that are paid, are paid by the Hong merchants upon the vessels for which they go security?—The Hong merchants are responsible for all duties upon foreign trade. With regard to the persons who deal outside of the Hong, their duties can only be paid through the Hong merchants.

660. Have you any reason to suppose that, in any instance, the duties paid by one merchant are higher or lower than the duties paid by another? or is there any opening for any bargain with respect to the amount of duties?—Not to my knowledge; I should be sorry to say that it were otherwise, from the corrupt nature of the Chinese government.

661. To what, then, do you ascribe the anxiety you state to have been evinced by individual merchants to pay the amount of their own duties?—It was from a wish to ascertain precisely the amount, and how far they could rely upon that amount with a view to future importations.

662. Does not the secresy which is observed with respect to the amount of duties make it always open to the government officers to demand more or less from one merchant than another?—I do not know that this has ever taken place. The struggle between the Chinese and foreigners has always been, that the Chinese have endeavoured to keep the control of the trade in their own hands; and but for the intervention of the Company, I conceive that the restriction would have been infinitely stricter than it is now.

663. It appears that the importation of camlets has decreased considerably in each year; can you state any reason for that? —A good many Dutch camlets have been imported by Dutch ships; and camlets have also been imported on private account.

664. Has not the smuggling trade in camlets increased?—The smuggling trade in every article has increased within my knowledge to a very great extent.

665. Has it increased chiefly in those articles on which the

23 Feb. 1830. duties are highest?—It has increased chiefly in opium, of which there is a prohibition.

C. Marjoribanks, Esq.

666. Of the rated articles, must not the tendency of the smuggling trade be to increase most in those articles upon which the duty is highest?—Certainly.

667. Is not the duty upon camlets high?—Yes; I have stated it to be nearly fifty per cent. on the sale price.

668. Therefore may it not be presumed that the smuggling trade in camlets has increased?—I cannot speak from any certain knowledge of its increase.

669. How many Hong merchants are there?—Seven.

670. That is a lower number than formerly existed, is it not?—Within my recollection I think there have been seven, eight, nine, ten, and eleven.

671. What causes have led to the diminution of the number of Hong merchants?—Bankruptcies among them.

672. How do the seven existing Hong merchants stand now with respect to property?—Howqua, the senior merchant, is a man of very large property. The second in the Hong, Mowqua, has been a man of large property, but he is of more questionable property now; I consider him still to be a very sufficient merchant. Puankhequa and Chunqua are both men of opulence. I should say the same of Goqua. Kinqua and Fatqua, the two juniors, I believe to be poor men, and indifferent merchants.

673. Have you known any connexion existing between the outside merchants and the Hong merchants, by which the capital obtained of the outside merchants is brought to support the lower class of Hong merchants?—I believe that exists.

674. Is not Dr. Morrison the interpreter of the Company?—He is.

675. Is he not also the editor of the Canton Register?—No, I believe not.

676. Is he a proprietor?—Not to my knowledge.

677. Are you acquainted with the statements of commerce which are contained in the Canton Register?—I have seen them.

678. As far as they have come within your information, do they contain accounts upon which reliance can be placed?—Sometimes the information in them is correct, and sometimes incorrect. The Canton Register is like other newspapers in this respect.

679. Do the Hong merchants make any objection to entering into security for the American ships?—The Hong merchants have invariably declared their preference to being security for the Company's ships; they wish to refrain from being security for other ships. I have understood that the

Americans, upon occasions, could only get Hong merchants to become security for the ships by agreeing to carry on their commercial transactions with them.

680. In point of fact, do not the Hong merchants become security for a very considerable number of American ships, exceeding thirty in a year?—Every ship that arrives at Canton some Hong merchant must be security for. The American ships of late years have been below thirty in number; only twenty in 1827-8, and below that number, I believe, in the subsequent year.

681. Is there any additional charge made by the Hong merchant upon the American ship, not made upon the British ship, which can measure the indisposition of the Hong merchant to become security for the one as compared with the other?—What I have stated, I think, in some measure answers the question, that I have known instances where the Hong merchants have declined being security for the American ships, unless the agents of those ships agree to trade with them. I I conceive that afforded the Hong merchants an opportunity of imposing an indirect tax upon the American ships.

682. Where a Hong merchant becomes security for the Company's ship, does not the trade of that ship necessarily turn to the Hong merchant?—Not at all.

683. In the case in which the trade of a British ship does not go through the Hong merchant, is it not an arrangement, with the assent and permission of the Hong merchant, that the trade is carried on with an outside merchant?—If the goods are shipped from Canton, they can only be shipped from the warehouse of a Hong merchant, therefore it must be with his sanction. The junior merchants, the poorer merchants, have been those most disposed to permit such shipments; they have often formed connexions with the outside men, which have been very injurious to themselves, and injurious to the trade generally.

684. Are the instances numerous, in which you have, in your experience, known the Hong merchants to refuse becoming security for the American ships?—The Hong merchants did not refuse to become security; but they showed an indisposition to become security, which indisposition did not extend to the ships of the Company.

685. How did they evince that indisposition?—By in some instances requiring, I have been told, an indemnity bond of the captain or supercargo of the vessel; by the Hong merchant requiring, in some instances, that he should be dealt with in preference to any other merchant.

686. How could a Hong merchant become security for a ship without that ship dealing with him?—It is constantly the case with the Company's ships; they become security for the ship, with no reference to their future commercial dealings at all.

23 Feb. 1830.

C. Marjoribanks, Esq.

The merchants become security successively for the Company's ships as they arrive.

687. What is the inducement to the Hong merchant to become security for a ship, when he has none of the dealings with that ship put into his hands?—He has no particular inducement to become security for an individual Company's ship, except from the advantages which he derives from the trade generally.

688. Did you ever know a Company's ship to be secured by a Hong merchant who had not a share in the Company's business?—The Hong merchants have all shares in the Company's business.

689. Are not some of the junior Hong merchants in such a state of embarrassment as to induce the Select Committee not to trust them with the management of the shares assigned to them, but that those shares are managed by other more responsible Hong merchants on their behalf?—Not now. In former years, when the juniors have been in difficulties, such has been the case.

690. Do the Hong merchants ever become security for private ships which do not deal with them?—I cannot say that they have not done so.

691. Is there any indisposition on the part of the Hong merchants to give security for country ships?—I may say, to a certain extent, it has been; for they have required indemnity bonds, upon some occasions, to be given by persons connected with the country trade, to protect them against any exactions from the government, in event of deviations from the Chinese regulations on the part of the persons connected with that trade.

692. Did you ever know that course adopted with respect to American ships?—I have been told that it has been; I have been told that indemnity bonds have been required from American agents.

693. With respect to ships of other foreign countries, Dutch ships for instance, are you aware of any indisposition on the part of the Hong merchants to become security for them?—The Dutch trade has been very limited of late years; but I am not aware of any such indisposition.

694. Will you describe the process that takes place upon the arrival of a ship, for the purpose of finding a merchant to become security?—As far as the Company are concerned, it has been arranged that the Hong merchants shall successively become security for the ships as they arrive.

695. Within the last two or three years has not one of those Hong merchants become insolvent?—Yes.

696. Which of them is that?—Manhop.

697. Has he still a share of the Company's business?—No.

23 Feb. 1830.

C. Marjoribanks, Esq.

698. Would Manhop be asked or permitted to secure one of the Company's ships?—He is no longer a merchant; I believe he is at this moment at Elee, in the centre of the wilds of Chinese Tartary.

699. Is not his hong still at Canton, and in the list of the security merchants?—No; he is a bankrupt, and his hong is dissolved.

700. Did he not remain at Canton some time after he became a bankrupt and compromised with his European creditors?—I believe he was kept in very close confinement, by order of the Chinese government, for a number of weeks. He was very much addicted to opium smoking, and I believe that was his only consolation.

701. If one Hong merchant failed with money belonging to an European in his hands, are not the Co-Hong responsible for that debt by the law of China?—By the law of China to a limited amount only, to the amount of 100,000 tales: that is the Imperial law, but that has never been acted upon.

702. You stated that there have been other ports besides Canton where other Europeans have had access, as Amoy; can you state whether the same mode of carrying on business through Hong merchants exists at those establishments as at Canton?—I stated that the Spaniards still possessed the privilege, which I believe to be a merely nominal one, inasmuch as they have taken no advantage of it of late years; therefore no mercantile establishment exists with a view of carrying on trade, because there is no trade.

703. Do you know whether there was an establishment of Hong merchants for the purpose of carrying on trade there?—There is no foreign trade there now whatever, and therefore no merchants. I believe there was in former years.

704. Do you know what was the establishment when foreign trade was carried on?—Upon reference to the records of the Company, I have seen a description of persons spoken of during the early periods of our trade, designated government merchants; those persons have been persons who were put forward by the Chinese government to deal with foreigners, and responsible to the government, much in the same way that the Hong merchants are now. The early period of our trade with China shows the commerce very ill conducted, and displays the English character to very little advantage. The Portuguese and Spaniards, the Dutch and English, first appeared on the coasts of China as a race of men eagerly desirous of wealth, but careless of the means by which it was obtained. The Chinese were at all times their masters in the arts of fraud and deception; but it cannot excite surprise that a people wisely estimating the advantages of peace as the first of blessings which can be besotwed upon a nation, should have regarded the constant contentions of

23 Feb. 1830. these early adventurers with the contempt and indifference which they deserved.

C. Marjoribanks, Esq.

705. You have given in a table showing that the barter trade in the year ending the 30th of June 1828, in the port of Canton, amounted to 20,364,000 dollars; can you state what proportion that bears of the whole foreign trade at Canton?—I could give a statement of the amount of American trade, if it were not already before the Committee; and a comparison of the two statements, with that of the Dutch included, would give the result. I should say the British trade at Canton is very considerably beyond all the others.

706. By this statement it appears that the trade on the part of the Company imports 4,518,000 dollars; and that on private account, including 11,243,000 dollars, the amount by the private individuals is 12,365,000 dollars. Will you state in what manner this account is made up, to enable them to show the amount of imports of opium, when it is a prohibited article? —I have already stated, that though the Committee in China are confined in their commercial dealings to the Hong merchants, yet, like every other description of persons in their situation, they receive information from every source which they consider good; and when they are desired by their employers to furnish them with accounts of the opium trade or others, they consider it their duty to make such inquiries as may elicit the best information upon those subjects. Not dealing in opium themselves, they cannot speak to the practical part, but they receive information from British agents and others who do deal in it. The friendly intercourse which has always existed between the respectable class of British merchants in China and the representatives of the Company, induces the British merchants to communicate readily information upon those subjects; at least I have always found it so.

707. It is stated here, that 3,080 chests of Malwa opium is valued at 1,185 dollars per chest; in what manner is that valuation obtained?—From the sale. Those prices are not put down by the Company's servants; they are obtained from the British merchants who deal in opium.

708. Are the Committee to understand, that although the trade of opium is prohibited under very severe penalties, yet that the quantity imported, and the prices at which it is sold, is as regularly known as any other article which is authorized and regularly imported?—It is made no secret of; it is generally known by the parties who deal in it, and they communicate it to others. The prices of opium are always given in the Canton Register, a public newspaper.

709. Is it not an instruction from the Court of Directors, that no Englishman in China shall in any way be concerned in the importation of opium?—No; there is no such order from the

Court of Directors: the Company prohibit any of their own servants from dealing in opium. 23 Feb. 1830

C. Marjoribanks, Esq.

710. Are you aware whether any of the Company's marks are put on the chests of opium imported from Malwa and Bengal?—I cannot speak accurately as to the fact. The only time when I have seen opium was when it was taken out of the chest. I do not know that it is so, and I do not know that it is not.

711. Is opium landed in chests in China?—I have understood that on board the country ships they break up the chests and put the opium into bags, in which state it is delivered to the Chinese. The chest is a cumbrous article, and they wish to get rid of it. The chest does not find its way into the Chinese boat; it is, I believe, left in the ship.

712. Can you inform the Committee how the trade of opium is carried on? The question refers to the transfer of opium from the country ships to the opium boats?—When I first went to China, the opium trade was at Macao, from which it went to Whampoa, and is now confined to the islands at the mouth of the river. The opium smuggling boats go alongside the ships in the open face of day, and the opium is delivered to them upon their presenting what is called an opium order from the agent in Canton.

713. Is this trade carried on within the view of the officers of government and the men-of-war boats of the Chinese?—Frequently within the view of the men-of-war boats.

714. Are there boats stationed on the part of the Chinese authorities within reach and view of this trade?—Not regularly stationed: they frequently go and come there. They are constantly manœuvring about, and often report to the Canton authorities that they have swept the seas of all smuggling ships. The ships remain there just the same.

715. Have you ever known any case in which they have interposed to prevent the carrying on of this opium trade?—The Chinese have frequently interposed by the strongest proclamations. I have known some instances in which the opium boats have been seized, and the crew have had their heads cut off.

716. Has that happened when they have been detected up the river, or at the place among the islands where the trade is carried on?—They have been detected in different parts of the river. They are tried and convicted in a very summary manner. The custom-house officers, by whom the opium is seized, frequently on such occasions light a fire on the top of a hill in a conspicuous situation. The opium is declared to be burnt, but I believe none of it is put into the fire.

717. Then, in point of fact, the interposition, although it may be connected with the loss of life, does not lead to the cessation of the trade?—No, it does not. The Chinese government,

23 Feb. 1830.

C. Marjoribanks, Esq.

with respect to opium, consider it as a traffic that ought not to exist. An Imperial edict is supposed to be indisputable, and anything contained in it not to be contravened. They never acknowledge it as a trade.

718. Therefore the existence of established laws against foreign trade and against foreigners by no means admits of presumption that the practice is according to the law?—No. Practice and profession are much at variance in China.

719. Then, in point of fact, it may be said that the smuggling trade in opium is carried on with the connivance of the Chinese authorities?—With the connivance of the lower Government authorities; I am not prepared to say of the higher authorities.

720. Is that the case in the smuggling of other articles?—Yes, it is.

721. Have you known of seizures being made of opium in the interior of China?—I have heard of them. I believe the opium finds its way to all parts of the empire, and within the walls of the Imperial palace at Pekin, though it is disclaimed and denounced as a poison.

722. Is it carried on without interruption?—No; it is liable to frequent interruptions. The persons who carry it from Canton are obliged to conceal it about their baggage, to evade the search of the Chinese officers.

723. How can a trade of such an extent be a secret trade?—It is an illicit trade.

724. You have stated that the smuggling trade in opium is confined to the islands at the mouth of the Canton river?—It is there that it is principally conducted; the foreign ships anchor there, and the opium boats go alongside of the ships there.

725. Is it carried on at any other parts of the coast?—I have known opium ships go along the coast with a view to disposing of opium, but I believe unsuccessfully.

726. Is the smuggling trade in other articles carried on in any other parts of the empire?—Not to my knowledge; it is all at Canton.

727. Was there not a ship called the Merope freighted with opium?—I remember a ship of the name of Merope, in China.

728. Did not that ship sail to the northward, and dispose of her cargo somewhere about the ports of Amoy and Ning-po?—I heard that she went along the coast, but the extent of her cargo I am not aware of.

729. Have you ever known the Hong merchants deal in opium?—Never, to my knowledge.

730. Do you understand the consumption of opium in China to be rapidly increasing?—Very rapidly. I think I stated that the year I left China the importation of opium was supposed to be between 13,000 and 14,000 chests, which was a very con-

23 Feb. 1830.

C. Marjoribanks, Esq.

siderable increase. I have a statement of the consumption and value of the Indian opium in China, from 1818-19 to 1827-8.

[The witness delivered in the same.]

STATEMENT of CONSUMPTION and VALUE of INDIAN OPIUM in CHINA, from 1818-19 to 1827-8.

—	Patna and Benares.		Malwah.		Total.	
	Chests.	Value.	Chests.	Value.	Chests.	Value.
		Dollars.		*Dollars.*		*Dollars.*
1818-19..	3,050	3,050,000	1,530	1,109,250	4,580	4,159,250
1819-20..	2,970	3,667,950	1,630	1,915,250	4,600	5,583,200
1820-21..	3,050	5,795,000	1,720	2,605,800	4,770	8,400,800
1821-22..	2,910	6,038,250	1,718	2,276,350	4,628	8,314,600
1822-23..	1,822	2,828,930	4,000	5,160,000	5,822	7,988,930
1823-24..	2,910	4,656,000	4,172	3,859,100	7,082	8,515,100
1824-25..	2,655	3,119,625	6,000	4,500,000	8,655	7,619,625
1825-26..	3,442	3,141,755	6,179	4,466,450	9,621	7,608,205
1826-27..	3,661	3,668,565	6,308	5,941,520	9,969	9,610,085
1827-28..	5,114	5,105,073	4,361	5,251,760	9,475	10,356,833

Canton,
10th November, 1828.

731. Is that statement confined to opium which has passed the Company's sales in India, or does it include the opium which is smuggled from India to China?—I believe it includes the Malwa opium, which comes from the Portuguese port of Demaun.

732. Is there any Turkey opium imported into China?—There is.

733. To any considerable extent?—In some years, I believe, it has been to the extent of 500 or 600 peculs. The amount of a chest of opium is considered exactly one pecul.

734. Is the Turkey opium better or worse than the Indian opium?—Very inferior; it is used by the Chinese to mix with the other opium.

735. Does it go from the Mediterranean?—It is brought from the Levant; chiefly from Smyrna, I believe.

736. By what class of traders?—I have known it come from Sincapore; and I have known it brought by American ships.

737. Have you known it brought by European ships?—I do not remember any being brought by European ships.

738. Are you aware whether the Company's ships are allowed to take out any Turkey opium from England?—They are not; they are prohibited by a regulation of the Company.

739. Are the Bengal ships allowed to take out any opium?—I do not know.

23 Feb. 1830.

C. Marjoribanks, Esq.

740. Are you not aware that many officers in the India service have taken opium from Europe to China, and have been obliged to send it circuitously instead of taking it in the Company's ships?—I have been told that the Company's officers have speculated in opium on their own account, by having it sent on from India to China.

741. Do you know upon what principle the Chinese government prohibit opium?—Upon a moral principle.

742. In the statement you have delivered in, there is an account of 2,920 tales value of woollen remaining of the season of 1826-7, whilst the imports from Europe in that year of woollens amount to 1,279,000 tales; can you state whether that is about the usual quantity of stock remaining in the Company's stores at Canton?—The Company have very rarely any goods remaining on hand. It has occurred once or twice, when the importation has been larger than the market would take off; but they generally get rid of all goods as they are imported.

743. Have they any portion of their cotton, or iron, or lead which they export remaining in store?—No. When I say no, I speak generally; goods occasionally remaining over to a trifling extent.

744. Generally speaking, then, the Company are able to dispose of their importations into China in the course of the season?—Certainly.

745. Are the Committee to understand that the amount on private account in this return of goods imported into China includes the country trade, the amount imported by officers of Company's ships, and all other British subjects?—I believe it does.

746. In the statement of the exports, it appears that the value of goods exported on account of the Company, with their charges, amounted to 8,765,000 dollars, consisting entirely of teas; will you inform the Committee whether the Company trade in any other article, as an export, except teas?—Not now; their investment is confined entirely to teas. They used to deal in raw-silk and nankeens, but they have not lately.

747. Are you aware why the trade in raw-silk and nankeens was discontinued?—The Company left those trades very much to their commanders and officers.

748. Were there any other articles, since you have been at Canton, besides silk and nankeens, in which the Company dealt?—None to my recollection, except tea.

749. Are you aware to what place the silk and nankeens are now principally exported from Canton?—I believe the manufactured silks exported from Canton go principally to America; and the raw-silk comes a great deal of it to this country, and very little of it to America.

23 Feb. 1830.

C. Marjoribanks, Esq.

750. Are you aware that of late years a large quantity of raw-silk has been sent to Sincapore?—I know consignments have been made of raw-silk to Sincapore; I cannot state to what extent.

751. Is any tea consigned to Sincapore?—No tea can leave China except under license of the East-India Company, which I have stated is frequently given to country ships to export to ports in Asia, for consumption in those places.

752. Has any license been granted to Sincapore?—Sincapore must have been included among other places. The license is, of course, to a limited amount, according to what appears to be the consumption in those places.

753. Is there any means of ascertaining the extent to which such licenses have been granted by the factory at Canton to those several places?—A list of licenses which have been granted has been kept.

754. It appears that the imports on account of the Company were 4,500,000, and that the exports were 7,800,000 dollars; how is the difference in value made up?—The Committee in China draw upon the Bengal treasury for the amount of the balance of the trade.

755. How does the operation take place, and how is the exchange made?—The Company regulate that exchange generally according to the value of Sycee silver, which is Chinese bullion, and of dollars in the Chinese market, in order to ascertain at what rate they can secure the money being paid into their treasury for bills. The standard of Sycee silver and of dollars differs considerably. The value of Sycee silver is $\frac{98}{100}$ parts of pure silver; the standard value of dollars is computed at $89\frac{3}{4}$; and notwithstanding that difference, the premium which the Chinese Sycee silver bears over the dollar is not generally above three per cent.; so that, generally speaking, the Chinese give five per cent. premium for coined over uncoined bullion, the preference being given to coined bullion from a knowledge of the accuracy of its standard. With reference to the rate at which the Sycee silver is in the Chinese market compared with dollars, the Company regulate their exchange upon Bengal. The treasury at Canton is generally opened under very favourable circumstances, inasmuch as of late years the Company have granted bills at 202, 203, and 204 sicca rupees for 100 dollars; those bills are drawn upon the Bengal government, in most seasons, to the amount of about 3,000,000 of dollars.

756. What is it that makes the remittance so favourable to Bengal on the part of the Company?—The Canton treasury forms, to a certain extent, a remittance for the proceeds of the sales of Indian productions of opium and of cotton.

757. Are the Committee to understand that a larger portion

23 Feb. 1830.

C. Marjoribanks, Esq.

of the investment of teas for England is provided by bills drawn by the factory at Canton on the Bengal presidency?—A portion of it is. I may say that the Company's home investment is entirely provided by the sale in China of English manufactures and productions of our Indian possessions. It is the proceeds of those possessions seeking a return to India that enables us to get money upon favourable terms.

758. But those proceeds are supplied by private trade, not by any trade which the Company has between India and China? —They result from private trade between India and China, as well as imports from India on the Company's account.

759. Will you state if you can at what intrinsic value the Spanish dollar received in Canton for bills on Bengal may be valued in English money?—It varies; dollars are more or less valuable in the market, according to the quantity of them; I have known the exchange above 6*s.* and below 4*s.*

760. In the statement that you have delivered in, it is stated that the Factory received for bills on the Honourable Court of Directors 78,200 dollars; do you know what was the exchange in that year?—I do not remember at what rate that specific sum was drawn; I should think it must have been 4*s.* 3*d.* in that year; but of late years the treasury at Canton has not been open for bills on the Court of Directors.

761. There is an item described as certificates 447,143 dollars received into the treasury at Canton; will you state what certificates are?—Bills which are granted by the Committee in Canton to commanders and officers in their service, to afford them the means of remittance for the profits upon their investments; they differ so far from bills, that the rate at which they are drawn remains to be adjusted by the Court in England.

762. There appears in the exports from Canton Sycee silver and Peruvian silver 6,094,000 tales; is that exported by private merchants or by the Company?—The Company have occasionally sent dollars to Bengal; they do not export Sycee silver.

763. Under what privilege is that silver exported?—The Chinese laws prohibit the exportation of any metals. Dollars are allowed to be exported from China, but not bullion; but it has always been exported to a large amount.

764. Is any certificate obtained from the custom-house to permit the exportation of bullion from Canton?—Of dollars, not of Sycee silver.

765. Then all Sycee silver exported must be contraband?—Its exportation is prohibited by law.

766. Has the Company ever exported any dollars or Sysee silver since you were at Canton?—Dollars they have.

767. To what places have they exported them?—To Bengal.

23 Feb. 1830.

C. Marjoribanks, Esq.

768. Are you able to state what quantity they have exported?—I remember one season to the amount of half a million sterling.

769. Was that export of silver a surplus of money after providing for their investment, or was it silver obtained for bills granted in Bengal?—It arose in that season from the imports having sold at a much better profit than was expected, and the treasury containing more money than was required for the provision of the home investment, it being contemplated by the Select Committee that the supply would be very seasonable to the Bengal government at the time the dollars were sent.

770. In what year was that?—It must have been in 1817, I think.

771. You stated on a former day, that the competition on the part of the English merchants, if the trade was opened, would raise the price of teas. Is not tea almost the only article which has been kept at a fixed or nearly fixed rate in China since you have been at Canton?—I have mentioned variations which have taken place in the price of tea during my recollection.

772. Are you aware that cassia, silk, camphor, and generally the exports of China have been reduced in price, whilst tea has remained nearly stationary?—No; I do not know the fact that all exports of China have been reduced in price.

773. Did not the competition of the Americans raise the price of some peculiar sorts of tea?—With respect to the green teas, it has always had that tendency.

774. Are they much higher now than they were?—They are higher than they were, and we find greater difficulty in obtaining them.

775. Do you know the proportion in which they have risen? —I cannot state that from recollection.

776. Is it not in the power of the Americans, or any other country, if they give a higher price than the Company, to obtain tea?—I should think it was.

777. Can you state whether green tea is used by the natives in China, or whether it is not principally an article of export? —I have been told that it was principally for the foreign market, but I believe it is also used in the country.

778. Have you any reason to doubt the capability of its increase to any amount to which the demand might arise?—I have already stated, that of late years there has been more demand for it than the supply would meet, from which I should be led to doubt the capability of its increase.

779. Has not that arisen from the great demand which America has had for green tea, they being the principal customers? —That has entered into the causes of it.

780. Are you aware what increase has taken place in the

23 Feb. 1830. — C. Marjoribanks, Esq.

exports of green tea, including the supply to America as well as to the Company during the seventeen years you have been at Canton?—I cannot state it from recollection.

781. Are you not aware that it has been considerably increased?—I believe the export of all teas has considerably increased, and the export of green has increased in common with the others: the Company's exports of teas from China have within my recollection increased considerably.

782. Are you able to state whether the Americans purchase the greater part of their teas from the outside merchants or from the Hong merchants?—I believe the best part of the American business, that is, the most respectable part, is conducted with the Hong merchants.

783. Is it not notorious that the outside merchants supply a very large proportion of the American trade?—I do not know what proportion. I have stated that the outside dealers frequently make shipments through the hongs of the junior merchants to very considerable extent; I have no means of ascertaining what that extent is.

784. You were understood to state that by the firmness and conduct of the Select Committee, they have been able to resist impositions on the part of the Hong merchants?—Innovations on our privileges by the government, and attempts to raise the prices of teas by the merchants. We cannot afford any innovation on our privileges, for they are limited enough; but those attempts that have been made to raise the prices of teas by combinations among the merchants, have been put down by the Company.

785. If the Company had no longer a factory there, but the British interests were represented by a consul, what, in your opinion, would be the effect of an union of all the European consuls at Canton, in case of any attempt at imposition on the part of the Hong merchants?—I conceive that the interests of different European merchants resident in China would be so likely to be at variance, that it would be very difficult to reckon upon the possibility of such an union. But supposing such an improbable result to take place, I conceive the Company's authority would derive very little acquisition of power or influence from such an association.

786. You have stated that the influence of the Company depends upon their being the largest dealers at Canton?—I have stated that as one cause of the power and influence of the East-India Company.

787. Are you not aware that the influence of any nation, or of any individual in a series of years in a commercial port, must depend upon the extent to which they carry on their trade; and if, under the protection of a British consul, the British trade was increased by being thrown open, is it not probable that the

influence of that consul and of that nation would continue as great as that of the Company?—No; I do not believe that the Chinese government would consent to receive a King's consul: I mean, to acknowledge him as the representative of the sovereign of this country, or to receive him in the character which we attach to him. Even on occasion of an embassy, the name given by the Chinese to an ambassador is that of a tribute-bearer, a man who brings presents from an inferior Prince to lay them at the feet of their Celestial Emperor. I believe if the Company's chief were vested with the power of a consul to-morrow, that his condition in the estimation of the Chinese would not be altered. In cases where our men-of-war have been in China, or any King's officers, the Chinese have shown every indisposition to acknowledge them. I do not believe that the Chinese would be brought to acknowledge a King's representative under the impression which we have of such a representative. 23 Feb. 1830. — C. Marjoribanks, Esq.

788. Was not Lord Amherst the representative of the King, and not of the Company?—He was the King's ambassador.

789. Was not he received as such?—I repeat, that the Chinese have no name for an ambassador; they consider him as a mere bearer of presents—tribute as they call it. A person personating his sovereign, in the capacity of a negociator, is one that their laws do not consent to recognize. In an interview of an ambassador with Chinese authorities, they ask him how old his king is, and how old he himself is, or how many children he has. If important business is alluded to, they start as if a hidden snare was laid open, and are silent. They are ever ready to bring in aid of their views the most unfounded falsehoods; and with these the more venial equivocations of European policy are but little able to contend.

790. Was not Lord Macartney received, and had he not an audience of the Emperor, as the representative of the King of England?—He was received, but not in the character which we attach to a King's representative.

791. Does not that arise from their not conceiving that any foreign power is on an equality with the Emperor?—In some measure, from presumption of that kind. They consider China the centre of civilization, and their Emperor the sovereign of the universe.

792. Are you able to state whether they consider their government more on an equality with the King's representative than the Company's representative?—They know the King's representative to be a man of high rank. I stated, with reference to a King's consul at Canton, that I do not believe the Chinese would recognize such a person, attaching to him the same character that we do.

793. Do you conceive they ever would have received a deputation from the Company as they received a deputation from the King of England at Pekin?—No, I do not, although we have

23 Feb. 1830. — C. Marjoribanks, Esq.

little to boast of the reception given to either of our embassies. In reply to this question I may state, that the members of the Select Committee were requested to proceed to Pekin, I think in the year 1789, to be present at the celebration of the Emperor's birth-day. They declined proceeding there, it being understood that they would be required to submit to very humiliating compliances. Had they gone, I believe they would have been treated very much as other deputed persons have been.

794. Then why should not the representative of the King of England, as a consul at Canton, if he has a superintendence and control of the same extent of trade, be equally respected with any representative of the Company?—I think the conduct of the trade gives the Company's representative an advantage, as well as that the Chinese have been accustomed to no other. There is at this moment a King's consul in China, having a diploma from the King of Hanover. I believe his existence, as a public functionary, is as little known among the Chinese as in this country. When a British admiral was in China the Chinese would not receive him. The Committee said, here is the King's authority, appeal to him; they said, we know no such authority; we recognize none other but that of the Company to which we have been accustomed, and all transactions with them must be through their representative.

795. The Committee understood from you that the Chinese government are very unwilling to trade with any country; that they are, in a great measure, independent of foreign trade?—I stated that I believed that China, more perhaps than any country in the world, was independent of foreign commerce, inasmuch as it possessed nearly every variety of climate, and had the necessaries and luxuries of life supplied by successful agriculture and extensive inland commerce. I did not say that the Chinese were averse to trade; I believe any aversion to foreigners to have its basis in political jealousy.

796. Will you have the goodness to state in what manner the Company were able, in 1814, when they stopped the trade with China, to succeed in carrying their point, and in resisting the demands made upon them at that time?—By perseverance, I believe.

797. That is to say, by stopping the trade?—By stopping the trade, in the first instance, and by firmness and decision until their objects were obtained.

798. Did they not stop the whole British trade?—Yes, they did.

799. Were they able to stop the trade of any other Europeans?—Any other Europeans were not involved in the question, and the Company never thought of attempting it.

800. What, in your estimation, was the inducement to that concession on the part of the Chinese?—I should say, a know-

ledge as well of the power and influence of the East-India Company, as well as a great reluctance on the part of the Chinese generally, that they should be deprived of the advantages of their trade. I am not aware that I stated that the Chinese were independent of foreign trade; I stated that they attached a very considerable value to it.

23 Feb. 1830.

C. Marjoribanks, Esq.

801. Are you able, from any documents you have ever seen, to ascertain the amount of the duties which the foreign trade of Canton produces to the government?—I have already stated that I had heard it estimated that the Imperial duties sent to Pekin were 2,000,000 of dollars. I have also heard it called 2,000,000 of tales.

802. Who were the parties at variance in that dispute between the Hong merchants and the officers of the Company?—The dissension was between the Chinese government and the representatives of the Company.

803. Was not the local government at Canton backed by the Imperial government at Pekin?—It was.

804. Then are the Committee to understand, that the stand made on the part of the Company, by the stoppage of the trade, was sufficient to induce the Imperial government to give up the resistance they had made to the demands of the Company?—The resistance made by the Company at that time produced the result which I have stated; but no demands were made by the Company from the Imperial government of Pekin.

805. Do not you imagine that the stoppage of the trade caused great inconvenience to the merchants, and that it was their influence which induced the government to yield?—I believe it produced great inconvenience to all classes connected with foreign trade; great personal inconvenience to the merchants themselves, and, of course, to all natives in any way connected with the trade.

806. You stated, that there had been an edict issued by the Imperial government, which the Company's officers resisted; was there any edict of revocation?—I cannot state whether there was an edict of revocation, or whether it became a dead letter.

807. How long did the suspension of the trade continue?—About two months.

808. Was there any other reason assigned for withdrawing the order of prohibition than the inconvenience arising from the stoppage of the trade?—I dare say there were many reasons assigned for it; I only know what reasons I assigned myself.

809. Are you aware whether the Viceroy of Canton has any interest or participation in the profits arising from the commerce at Canton?—I should think he had.

810. If the prices of woollens and of the different articles of

23 Feb. 1830.

C. Marjoribanks, Esq.

import into Canton were reduced, would not the trade of Canton be thereby considerably increased?—That is too general a a question for me to answer.

811. In those years when woollens have been cheaper than ordinary, have you sold more of them or not?—The Company's supply of woollens has been regulated with reference to the supposed demand, taking one year with another.

812. Have you known the price of woollens considerably lowered by the imports of Americans or other foreigners?—I have known the importation of Dutch camlets to interfere with the sale of British.

813. Have the prices in China been lowered in proportion to the lowering of the prices in this country?—The sale prices of the Company's woollens in China have very materially decreased within my recollection.

814. In fixing the price there, do you fix any per-centage of profit upon the English prices?—We are regulated by the demand of the Chinese market without much reference to the cost value.

815. Are you aware that the quantity of woollens imported by the Company decreased from the years 1809 and 1810, when they were 262,000 pieces, to 123,000 in 1827 and 1828?—I believe the statements laid by the Company before Parliament on this subject to be correct.

816. Have you any means of knowing whether the imports by the Americans and other nations in the same time have increased much more than this decrease?—I am not prepared to draw a comparison.

817. Is it within your knowledge that the Company have admitted individual merchants in London to fill up any vacant tonnage in their ships upon their application for the export of woollens to China?—I have been told that they have done so.

818. Can you state at what rate per ton?—I cannot.

819. Were the goods so exported confined to the Company's Factory at China, or were they at the full disposal of the merchants that sent them there?—My recollection is, that they were not confined to the Factory.

820. Were they a free consignment to any house established at Canton?—I believe so.

821. What could they receive in return for those goods?—I do not know.

822. Are you certain that the Company have permitted persons to send out manufactures from England, leaving them the disposal of the consignment at China, and not confining them to the Company's Factory?—That is my impression; but I am not certain of the fact. I believe goods belonging to private

merchants have also been sent out in the privilege tonnage of officers. 23 Feb. 1830.

C. Marjoribanks, Esq.

823. Are you aware whether the Company's servants have ever made any representation to the Hong merchants on the subject of the American dealings with them; that is, on the increase of dealings with the outside merchants?—There were some discussions which took place in the year before last, in which the Company were engaged, which had reference to the question.

824. What was the nature of that correspondence on the part of the Company with the Hong merchants?—The greater part of the proceedings on that occasion has been published; it was not a correspondence which was confined to the Hong merchants, but extended to the government. Though a member of the Select Committee, I was absent from China at the Indian presidencies when the discussion took place, and I differed in opinion with the Select Committee as to the expediency of several of the measures adopted.

825. Have you seen the documents?—I have.

826. Can you state the nature of it?—The discussions with which the Committee were connected originated in the bankruptcy of the Hong merchant Manhop. At the period of his bankruptcy, it appeared that his insolvency was very much owing to his connexion with the outside dealers; and the Hong merchants generally, as a body, were very anxious that the extent of that dealing should be limited, inasmuch as they had sustained very serious losses from being held responsible for the bankruptcy of junior merchants. The Americans being connected with some of the outside dealers in question, were desirous to support them, and anxious that the Hong merchants should nowise interfere with them. The American merchants had, by the temptation of higher prices, succeeded in some previous seasons in diverting from the Company's investment a portion of the teas which were contracted for by the Hong merchants; and it was with the view to prevent the recurrence of that, that the Committee gave every encouragement in their power to the Hong merchants, to prevent as much as possible the connexion of the outside dealers with the juniors of the Hong.

827. Are the Committee to understand that the Hong merchants of their own accord were willing to deal with the Americans, and had dealt with the Americans, but that the Company's servants interfered to prevent it?—No; I did not state that.

828. Did not the Company's servants interfere to prevent the Hong merchants dealing with the Americans?—No, not the Hong merchants.

829. You have stated that the Select Committee were vested

23 Feb. 1830. — *C. Marjoribanks, Esq.*

by law with power to exercise a control over all British subjects at Canton. Do you apprehend that there would be any danger to the British interests at Canton if English free traders were permitted to export teas from hence to the Continent of Europe, supposing that the ships' crews and supercargoes were, whilst in China, subject to the control of the Select Committee, in the same way as all British subjects resorting to Canton now are?—I have stated generally, that I conceive any great extension of the private trade in Canton would have a tendency to endanger its security, inasmuch as there would be a greater resort of British subjects there, and they would be more likely to come into collision with the Chinese.

830. Do you apprehend there would be any danger to the British interests at Canton if English subjects were permitted to trade between the United Kingdom and China in every thing but tea, supposing the tea monopoly to continue as it now is, in the hands of the East-India Company?—I think I have already answered this question. I conceive, also, there would be a considerable temptation to smuggle tea into this country.

831. Supposing that, in addition to the powers now vested in the Select Committee at Canton by law, they were accredited from the Crown and acted solely as a consulate, without having any concern in trade either for themselves or others, but exercising a full control over all British ships and subjects resorting to Canton, would there be any danger, under such circumstances, in throwing the trade entirely open?—I do not think they could possess, under such circumstances, the power they do at present, inasmuch as the control of the commerce adds materially to their influence.

832. Do you think that the Americans, upon the whole, purchase their tea less cheaply or more cheaply than the Company?—The Company, I think, purchase their tea on more advantageous terms. I conceive that impression to exist upon the minds of the Americans themselves, inasmuch as I have frequently seen the word "Company" printed, which is not the habit with the Company's investments, upon tea-chests consigned on board American vessels. I was informed that the name "Company" attached a quality to those teas among the Americans, which would not belong to them if that mark was not upon the chest. This left an impression upon my mind, that even in America the belief was that the Company got better teas than any other purchasers.

833. Are you aware of a proclamation issued on July the 2d, 1828, permitting an intercourse between the Americans and the outside merchants in certain articles, although excluding them in others?—The outside merchants were, always permitted to deal in certain articles, china-ware and all retail goods. They used to trade at the same time in manufactured

silks; but that was by a connivance of the law. Within the last two years they have received permission to deal in manufactured silks as well as in other articles. 23 Feb. 1830: C. Marjoribanks, Esq.

834. Do you recollect the issuing of the proclamation referred to?—I have read the proclamation.

835. Was that subsequent to the discussion that took place between the supercargoes and the Hong merchants?—It was subsequent to the discussions to which I have alluded.

836. Was it about that period?—It was in consequence of the discussions that had taken place.

837. Can you state whether teas may not be frequently procured at Manilla and many of the Eastern islands as cheap as in China, and with the same facility?—I have never understood so to any amount.

838. It appears in the Report of the Committee which sat in the year 1813, that Mr. James Drummond, now Lord Strathallan, who was the chief of the Company's Factory, gave his opinion that they certainly could be procured as cheap, and frequently cheaper; do you concur in that opinion?—I believe it could not be procured at those places in any quantity and of good quality. As far as Manilla is concerned, the Spaniards have shown little disposition to encourage the resort of British subjects to that place.

839. If the English trade were to become a free trade, and no longer in the hands of the Company, would not that, in your opinion, break up the Hong and cause a different constitution of the Chinese trade?—I conceive it would lead to results upon which no person could speculate, from the very peculiar character of the Chinese. I should be sorry to say that the English power could not compel the Chinese to come to any terms they chose to dictate, but the result of that, I think, would be an interruption of the amicable relations that now subsist. Admitting that such an open trade could be quietly conducted, the Hong merchants might possess an almost unlimited power over it, were they to form a close combination against individual traders, and received, at the same time, the support of their government.

840. As those relations are merely relations of trade, are you not of opinion that the trade would find its own relations after a little time of confusion that might perhaps result from the change?—I conceive it is very difficult to apply general principles to the Chinese, or the conduct of their government.

841. Supposing the trade to continue a monopoly trade for the consumption of teas in England, and that English ships and English merchants were permitted to carry on an indirect China trade, that is to say, a trade between China and other parts of the world; would that, in your opinion, endanger in any way the authority of the Company's Factory in China?—I have

23 Feb. 1830. stated that I think every increase of the resort of British subjects to China would more or less affect the security of the trade.

C. Marjoribanks, Esq.

842. Is not the resort of British subjects to China always necessarily confined to a very small spot?—It is.

843 Are you of opinion that, even if the commercial intercourse was increased, that could affect the peace of the country out of the reach of that small district to which it is confined?—I do not think the Chinese would increase the limits in proportion to the increased resort of British subjects.

844. As the amount of trade would probably not be augmented, but the only difference would be that British subjects would carry on a portion of that trade which is now carried on by the Americans and others, could that either require a larger extent of ground upon which to carry it on, or could it in any way involve the Company's Factory in any increased risk or danger?—It would be in proportion to the increased extent of such a trade; the probable involvement in difficulties with the Chinese would be regulated by that.

845. Suppose twenty British ships should be substituted to carry on the trade which twenty American ships now do with the continent of Europe, and that the Company should remain as they now are with the monopoly of the English market, would any danger arise from that substitution?—I believe that twenty American ships are not now employed in the trade.

846. Suppose that substitution to take place, whatever the number might be?—It depends very materially upon the number; I think the danger would be in proportion to the increase.

847. Supposing a like number of British ships to replace the Americans which have carried on the carrying trade of Europe, would there be any danger in that case?—I think there is a difference on this account, that the crews of English ships come more readily into collision with the Chinese than the crews of the American ships; there is a more prudent and wary character belonging to the American, when compared with the careless and reckless spirit of English sailors; in that case, I think danger might result if those men were in ships which were not under any well-regulated discipline and control. The superiority of the ships of the Company in point of discipline and arrangement is generally manifest; in proof of their superior efficiency I may mention, that since I have been acquainted with China, indeed for the last twenty-four years, there has not been one single instance of a homeward-bound China ship being either lost or captured. During this period between 400 and 500 of these fine merchantmen, the most perfect ever known in the commercial history of the world, must have navigated between China and Great Britain, a part of the distance of 14,000 or 15,000 miles being through seas of difficult and

dangerous navigation. This may, I think, be received as a proof of the efficiency of the China ships of the Company, as well as of the skill of the officers by whom they are commanded; many other advantages might be stated which they possess.

848. Has any inconvenience resulted from the increased number of country ships trading to China?—There has been no proportionably increased resort of Europeans to what would take place in the event of an open trade, inasmuch as the crews of the country ships are composed of Lascars; but I have known some violent acts take place in China from persons connected with country ships. I may mention one which occurred three years ago amongst the ships at Lintin. The captains of some of those ships, which were American and country ships, saw a Chinese boat captured by one of the custom-house boats, which were there upon duty. They imagined that the Chinese boat contained one of their own people, and they immediately went to his rescue. Upon going alongside the Chinese war vessel they were warned off; and upon insisting upon going on board, stones were thrown at them by the crew of the Chinese vessel. The Lascars in the boat were ordered to fire upon the Chinese boat, and upon that occasion one Chinese was killed and ten wounded, one of whom afterwards died. The Chinese government considered that it was the act of pirates, and indeed it very much deserved that character. A stoppage of the trade might have taken place, but the Chinese were at that moment in no temper to enter into discussions. It was discovered afterwards that no person belonging to these ships had been seized by the Chinese war vessel. I conceive this was conduct which the Company's representatives in China, if appealed to by the Chinese, must have considered indefensible.

849. In what year was this?—In 1827.

850. Have you ever known any such act committed by British subjects in China?—This act was committed by British subjects. I have known affrays of sailors with the Chinese.

851. Can you recollect any instance of any boat's crew of an Indiaman trader acting in the way in which you have stated the crew of that vessel did?—No, I do not remember any instance that I can compare with it.

852. Are not there sometimes British sailors on board the country ships?—Very few.

853. Were you at Canton at the time when Sir Murray Maxwell forced his way up the river?—I was.

854. Did not he fire into the fort?—He did, and the walls of the fort were in part blown down.

855. What was the result of that?—Sir Murray Maxwell, upon arriving in the Canton river, was molested by the Chinese war vessels. He appealed to the Viceroy of Canton. No

23 Feb. 1830. — *C. Marjoribanks, Esq.*

attention was paid to his appeal, and he determined upon moving up the river. Upon his being fired at by the forts, he laid his ship to, and fired several broadsides into them, when he proceeded up the river and anchored in the harbour of Canton. A Chinese deputation came the next day from the Viceroy to congratulate the Committee upon the manner in which Captain Maxwell had conducted himself. We were hardly prepared for such a result, but upon asking an explanation, they stated that though he had been fired upon by the fort, he had not fired a single gun in return, and that in consequence he might be permitted to come up the river. In point of fact, it was more than the Viceroy's situation or perhaps life was worth, to admit the possibility of an English frigate forcing the port.

856. Did not they allow a vessel commanded by Captain Hall to come up immediately afterwards?—Captain Hall was in company with Captain Maxwell, and came up either at the same time or soon afterwards.

857. Was not it the fact that the Lyra, in which Captain Hall was, was not stopped as the Alceste had been?—To the best of my recollection she was not molested, at least to no great extent.

858. Do not some of the Americans keep some fast-sailing vessels for the purpose of forcing a contraband trade on the coast of China?—Not that I was aware of. During the period of the American war the American vessels that came to China were very sharp built, partly acting as privateers, and partly to enable them to escape from our men-of-war. I should say that the Americans have lately altered the construction of their vessels, they now build squarer ships.

859. Are you aware of any fast vessels being kept there for the purpose of smuggling upon the coast?—I have never known that they were built for that purpose. I have known American schooners engaged in the trade, and these were fast vessels.

860. Are not the smugglers of China a very powerful body; do not they move in considerable fleets upon the shore?—Not in fleets; their boats are very well manned and armed.

861. Do not they set the government at defiance?—Entirely, I should say, where they have sea room.

862. Do you suppose that the government is capable of keeping them under?—They possess no marine force capable, in my opinion, of suppressing them.

863. Is the force of the smugglers upon the increase or upon the decrease?—The smuggling trade of China is materially upon the increase.

864. In what way do the Portuguese at Macao buy and sell with the Chinese?—The Portuguese trade at Macao is very limited. Following gradually the decline of the power and resources of the mother country, they have dwindled into insig-

nificance. The Portuguese have frequently applied for the privileges of trade at Canton, which have always been refused them. They are obliged to have their teas brought from Canton, but they are not allowed to reside there; they are confined to Macao, which at one time was a very important settlement, but now exhibits only the ruins of former prosperity.

865. During the time when the commerce of Portugal to Macao was considerable, did the Chinese go down to Macao to buy their articles and sell others, or how was the trade carried on?—It was variously carried on. At one time by a coalition between Chinese and Portuguese merchants, which lasted but a very short period, as the Chinese were found to be very much their superiors in industry, as well as in the arts of deception. They were afterwards compelled to purchase from the Hong merchants, and in trifling articles from the outside merchants.

866. Has any trade arisen with the Brazils?—Not to any extent, that I am aware of.

867. Is there any considerable coasting trade carried on by the Chinese themselves?—There is, I believe, I do not know to what extent.

868. Do you know whether any vessels sail from their ports to the islands of the Eastern Archipelago?—Yes, they do; few proceed from Canton, from the circumstance, I conclude, that the produce of the islands of the Archipelago is brought there in foreign ships. The principal trade of these junks is from the province of Fokien, the province where the black tea is grown.

869. Of what size are the vessels?—I have heard the largest estimated at 600 tons. They are by no means sea-worthy.

870. Are you aware that they import tea into Sincapore?—I have seen statements of it, but I have no personal acquaintance with it.

871. Have you ever heard of the American vessels smuggling it directly from the tea provinces?—Never.

872. Are you aware that the Chinese vessels now go to Bengal?—No, I am not aware of that.

873. Do those vessels that leave China for the purposes of foreign trade require any license, or is the trade contraband?—The principle of the Chinese government has always been to prevent the emigration of its subjects, and to discourage their engaging in foreign commerce. No insurmountable impediments are placed in the way of the Chinese foreign trade, though it has been disclaimed by the government, as being an improper trade for its subjects to engage in.

874. Are the Chinese permitted to leave China by law?—They are not by law.

875. Is not a considerable portion of the population of Sinca-

23 Feb. 1830. pore, Chinese?—It is; nearly all the islands of the Eastern
—— Archipelago are inhabited by Chinese, who form the most indus-
C Marjoribanks, Esq. trious portion of the population.

876. Have you ever been in the interior of the country?—I have not, to any great distance.

877. When the Chinese go to reside in foreign countries, are they allowed to export their wives?—No. The Chinese who go to foreign countries seem never to go there with a view to fixed residence. They are remarkable for their nationality, and as soon as they collect a competence they return. They are prohibited from emigrating from China, and that prohibition of course extends to their wives, which is an additional assignable reason for their not becoming fixed colonists.

878. Are not woollens worn by the natives at Canton during the winter months?—They are.

879. Are not the cold months at Canton February and March? —The cold season is from November to April.

880. Is not the climate at that period much colder at Canton than it is at Calcutta?—It is; the two climates are distinctly different, though nearly on the same parallel of latitude.

881. Is there much intercourse between the Chinese and Japan?—There is some intercourse between the Chinese and Japan, but to a limited extent; the Chinese are looked upon at Japan with the same distrust as other foreigners, perhaps more so, from the proximity of their empire to Japan.

882. What difficulties exist with respect to any trade with Cochin China and Siam?—The extreme jealousy of the governments, and the kings of these countries putting themselves forward as the first merchants in their dominions, requiring the right of pre-emption of all commodities, and attaching their own prices to them. We have endeavoured to propitiate their favour by unsuccessful missions, which have tended to injure our trade rather than promote its interests. That description of wretched truckling to the despots of these ultra-gangetic nations and persons, in the capacity of British representatives, walking about without shoes among white elephants and monkies, has only tended to degrade our national character without obtaining for us any commercial advantages.

883. Supposing the European trade were excluded from China, would it not resort to the islands in the Eastern Archipelago? —I think that great difficulties would arise in the way of its resort there, from the cumbrous and unwieldy nature of the Chinese vessels, and the insecurity which is supposed to attach to property embarked in them; from the difficulties which might be placed in the way by the Chinese government of the export of tea to any great quantity from China. They have prevented the export of tea in native vessels by sea to Canton.

884. Are the transactions of the smuggling trade carried on with as much fidelity and regularity on the part of the Chinese as the transactions of the regular trade?—With wonderful regularity, considering the nature of the trade; certainly not with the same regularity as those of the legal trade.

885. Are you acquainted with the transactions in Sycee?—Yes, I am.

886. Are those carried on with regularity?—With extreme regularity.

887. Is not that a trade in which, if there was not regularity, there would be exposure to fraud?—It is from its nature very open to fraud; at the same time, the employment of the persons that deal in Sycee depends entirely upon their preserving their character.

888. And the result is, that those transactions are very regular?—Wonderfully so.

889. Supposing the same establishment that the Company now have at Canton were to be continued as deputies or representatives of the Crown, and to have the same control, or a greater control over every British subject resorting to China than they now have, could not, in that case, a free trade be carried on without any risk or danger?—Not with the same security that exists at present.

890. Supposing they had the same power, why should they not act on behalf of the King as they now act on behalf of the Company?—Their possessing the power of King's consul would give them a greater control over British subjects, but would effect little change in their character in the estimation of the Chinese.

891. Suppose they were vested with the power of imprisoning and sending away, and controlling in any way the crews of the vessels resorting to the port of Canton, can you see any difficulty there would be in carrying on a free trade?—I think the answers I have previously given go to show difficulties as likely to exist. The Select Committee possess the power of deportation, as it is called, already, by a clause in the charter of 1813.

892. Do you think that the great trade which the Company carry on there gives them an authority which would not be possessed by persons not carrying on trade?—Unquestionably it gives them both power and influence.

893. Would not a greater degree of trade carried on by Englishmen, under their authority, give them a greater influence?—I do not know that it would.

894. Is the danger you apprehend from the unlimited resort of British merchants?—It is, in some measure.

Jovis, 25° die Februarii, 1830.

WILLIAM BROWN, Esq. called in, and examined.

25 Feb. 1830.

W. Brown, Esq.

895. You are the head of an extensive commercial establishment at Liverpool trading with the United States of America, and carrying on business upon commission for other persons engaged upon that business?—I am.

896. Are you very extensively engaged in it?—Tolerably so.

897. As extensively as any other house in Liverpool?—I presume we are.

898. Have you been employed, either on your own account or on account of other persons, citizens of the United States, to ship goods, being British manufactures, to China from this country?—We have.

899. To what extent?—Probably that question will be most correctly answered by a memorandum from my books. This is an exact account of the amount which we have from time to time shipped, the total amount is £744,257. 8*s.* 6*d.*; in November 1821, £66,751. 19*s.* 4*d.*; in March 1822, £64,256. 18*s.* 3*d.*; in March 1823, £50,834. 12*s.* 8*d.*; in August 1824, £53,277. 2*s.* 5*d.*; in February 1825, £52,422. 10*s.* 7*d.*; in September 1825, £76,016. 14*s.* 2*d.*; in July 1825, £54,217. 2*s.* 1*d.*; in December, £47,505. 19*s.* 3*d.*; in September 1826, £48,471. 7*s.* 11*d.*; in June 1827, £59,808. 2*s.* 9*d.*; in October, £65,966. 19*s.* 4*d.*; in May 1829, £55,909. 4*s.* 3*d.*; in August, £48,818. 15*s.* 6*d.* The sums I have stated were the amount of invoices with charges after deducting drawbacks. Some of the ships took some specie, the amount of which cannot be ascertained with accuracy, but in the whole it cannot have exceeded £10,000; the rest was British dry goods, and some other small matters.

900. Were those goods shipped for Canton, or were they shipped for any other place?—They were shipped for Canton, but we generally cleared out for Batavia.

901. Had you any particular reason for preferring to clear out for Java instead of clearing out direct for Canton?—So long as my friends considered the business worth following, they were willing that it should be as little known as possible to others.

902. Was it from a dread of exciting competition that you conceive they wished to clear out for Batavia instead of Canton?—I presume it was.

903. What proportion do you conceive that the manufactured goods, which you shipped upon agency for China, bears to the whole export of manufactured goods in neutral bottoms from this

country to Canton?—To that on American account, I should suppose might be one-half or one-third; but I cannot speak with any degree of accuracy as to that point.

904. But you know that other houses have shipped goods on American account from this country to Canton?—I know they have.

905. Have you any means of knowing whether those speculations have turned out profitable or otherwise to the parties?—Latterly they have been very unprofitable; the last three or four years.

906. Can you explain the circumstances that have led to their being so unprofitable?—I think there are various causes why they have been unprofitable. One probability is the circumstance of the East-India Company having supplied Canada direct with teas, which prevented teas being smuggled into the Canadas from the United States; another cause probably is, that the markets of Europe have been more shut against the Americans by prohibitory duties, and in consequence of more direct trade between those countries and Canton in their own bottoms.

907. You mean the return trade from China in tea?—Yes. Another cause, which I should think has probably still more bearing upon the American trade with India and China is, that the credit given for duties in the United States is long. The credit given on ships coming from China is six, twelve, and eighteen months, except on teas; there is upon them a credit of twelve months on the duties after they are taken out of bond; and those facilities, I conceive, have furnished capital, which has produced over-trading, and made the trade eventually not so profitable.

908. What was the largest import of tea from Canton to the United States prior to this over-trading?—I am not able to answer that question.

909. But you know, generally, that there was an excess of supply of tea, as compared with the demand in America?—Yes, I am quite aware of that.

910. Do you recollect in what year this excess of supply which has made the trade so unprofitable, first became manifest in America?—I think it began to be felt four years ago.

911. Do you mean to state to the Committee, that the losses sustained in this trade were upon the returns from China, rather than from the exports from this country?—I confine myself altogether to the returns from China.

912. You stated that the continental duties upon tea imported from the United States were raised: at what period was that alteration?—I cannot state exactly the period; I merely know the fact of there having been obstacles in the way of trade that

25 Feb. 1830.

W. Brown, Esq.

have caused some impediment to that free shipment they before enjoyed.

913. Do you apprehend that before the East-India Company undertook to send teas direct from Canton to the British provinces in North America, that those provinces were principally supplied from the United States?—I have no doubt that they were supplied to a considerable extent from the United States; the precise extent I cannot state.

914. Do you believe that any supply now comes from the United States to the British provinces?—I think, if any thing, it is the reverse.

915. You think it is more probable that teas are introduced from Canada into the United States?—I think it is very probable they are, under existing circumstances.

916. What is the rate of duty upon tea in the United States?—It varies, depending upon the description of tea; but that I am not altogether able to answer. I am aware that it is a high duty, but I cannot state exactly what it is.

917. You stated that a credit is given for the duties for as long a period as eighteen months in some cases, and that this credit has been the means of given facility to over-trading, by creating a capital in the hands of parties who were embarked in those speculations?—That is my opinion.

918. Of course, the amount of the capital so created in their hands must depend upon the amount of duty?—Certainly.

919. From the statement you read, there appears to have been a considerable shipment of goods in the last year?—There has been.

920. Is the trade reviving on the part of the United States?—I cannot say that it is; but it has been so long bad, that the parties embarking in those speculations have a reasonable hope and expectation that it will revive for their imports to the United States by the time the vessels return.

921. What are the returns from China to the United States?—Principally teas and silks. I should say that the prices of teas are a little better in the United States, but nothing of any moment.

922. Of course you have opportunities of communicating with captains and owners of vessels which you freighted, and with supercargoes that have traded to China; did they ever state to you any difficulties that occurred with respect to the sale of their goods, or the purchase of the teas, or other commodities in China, by the interposition of the Chinese authorities in Canton?—I make it my business frequently to inquire of captains of those vessels the nature of the Chinese trade, and I never was aware that any difficulty whatever arose on the part of the constituted authorities there, but the reverse; I have

understood that they were very much disposed to cultivate the trade, and to afford every reasonable facility. 25 Feb. 1830.

W. Brown, Esq.

923. Do you know whether the United States have any establishment at Canton to protect or to facilitate their trade? —At one time they had a consul there; but I am not certain whether they have at this moment or not.

924. Do you know whether the purchases made by the supercargoes of the ships in which you are interested were made through the Hong merchants, or partly from the Hong merchants and partly from other merchants, traders in tea?—The course of trade, I apprehend, on the arrival of a ship in China, is, in the first instance, to apply to the Hong, the supercargo, or resident, who makes the contract with the Hong, makes the best bargain he can with him, and generally gives him the preference in purchasing some of his cargo from him; but in every instance I have ever known of, he has been at liberty to purchase from the other Hongs, or from the outside trade; but generally giving the preference to the Hong to which his ship is consigned, if his teas are as cheap as others.

925 Do those supercargoes go generally to the outside dealers?—In the first instance they must apply to one of the Hong merchants to secure the vessel; and it is matter of arrangement or contract with him what quantity of teas they shall take from him. He generally shows them his samples, and it is arranged to the satisfaction of the parties; but I believe a large proportion is bought from the other Hong merchants, or from the outside merchants.

926. Then there is no obligation to trade with the Hong merchant beyond the agreement made in the contract for securing the vessel?—None.

927. Do you know whether the price of teas purchased by the supercargoes varied considerably at different periods?—I have always understood China to be a fluctuating market.

928. Did the supercargoes ever complain that they could not procure teas of the best qualities for the American trade?—Never.

929. Does that answer apply to every description of teas, the black as well as the green?—It does.

930. In point of fact, is not green tea the great consumption of the United States?—It is. I should probably say, that inasmuch as the East-India Company are the largest purchasers, particularly of black teas, I should think they might have some slight advantages in the purchase of that description of teas but inasmuch as the Americans are large purchasers of green teas, I should think the East-India Company will have no advantages there: but any advantage that may arise to one party or another I look upon as arising solely from their being either larger or more limited customers.

25 Feb. 1830.

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W. Brown, Esq.

931. What is the size of the American ships in which this trade has been carried on, so far as you have been concerned in it?—In ships from three hundred to nearly five hundred tons.

932. Have the ships a supercargo to make their purchases and dispose of their freight, or is that duty sometimes left to the captain?—Sometimes, when he is a very clever man; but in the ships in which I have been particularly interested there is a resident agent upon the spot in China.

933. Do you know what the freight is from Liverpool to China, and back to the United States?—The freights have fallen very much of late. They were at one time as high £9 or £10 a ton for the measurement tonnage of forty cubit feet, but I apprehend they are not more than two-thirds of that now, probably not so much: but I beg to be understood as not stating exactly what they are now; I know they are very considerably less.

934. You have stated, that as far as you have had means of information from parties engaged in this trade, there appears a very favourable disposition on the part of the Chinese to cultivate a commercial intercourse with the United States; have you any particular reason for stating that such a disposition exists?—Some years ago there was a serious fire at Canton, when our friends had a good many goods burnt, and the Chinese government made good the loss to the citizens of the United States; I therefore infer that there was a good feeling towards cultivating commerce generally.

935. Can you state to what amount the loss sustained was made good by the government of China?—I cannot; I believe it was very considerable; it applied to all other nations as well as the United States; the loss was made good to all.

936. Has the trade ever been interrupted?—It was partially for a short time, an Italian sailor in an American ship having killed a woman; but I know very little of the transaction.

937. Do you know whether the Chinese government enforce the payment of debts to Europeans on the part of Chinese subjects?—So far as the Hong are concerned, I believe the Hong are responsible for each other; but I do not know how it is with the private trade, whether there is any obligation on the part of the government to pay debts contracted by the outside dealers or not.

938. Have you any reason to doubt that the merchants from the United States are treated at Canton with as much favour as any other nation?—I believe they are quite as much so.

939. Do you know upon what principle it is that the government indemnifies foreign traders from losses by such a casualty as fire?—I do not; I was rather surprised at the fact.

940. Can you state the amount of tea annually consumed in

the United States?—I cannot with any accuracy; but I believe it to be about six millions of pounds. 25 Feb. 1830.

W. Brown, Esq.

941. Is there any export of tea now from the United States to any parts of Europe?—There is; but by no means so extensive as it was.

942. Can you state when the trade of carrying tea from Canton to Canada on the part of the Company commenced?—I do not know the period.

943. Are you aware that the duties paid upon tea imported into Canada are very much lower than the duties upon tea imported into the United States?—I am.

944. Do you know the proportion?—I do not know the proportion, but I am aware they are considerably lower.

945. Are you aware that there is a rule on the part of the Hong merchants, that if they deliver a chest of tea that shall, upon examination, be found to be damaged, they shall then return two for one?—I am aware of the fact.

946. That applies to all traders?—It does.

947. Do the outside merchants also return two for one in a similar case?—I cannot state that positively; I believe they do.

948. You have stated, that latterly the American return trade with Canton has not been profitable; do you conceive that, supposing that trade was confined within proper limits, there is a probability that it would still be a profitable trade to America?—I think there is every reason to suppose that it would.

949. Are you aware whether the Americans have sustained losses upon other branches of their trade, from the circumstance of that trade having been carried rather too far in the same period?—They have.

950. In the supply of cotton for instance?—They have on many occasions.

951. Do you ascribe the losses in other trades to the same cause, in part, to which you ascribe the losses in this trade of tea, namely, the long credit given upon the duties, and the facility thereby afforded to speculation?—Probably that would be so; there is a very great spirit of enterprize in the United States, and it is pushed frequently too far.

952. Have you heard that in the port of Canton there is considerable facility afforded to captains of ships in completing their cargoes?—Very great.

953. As great as in other ports with which you are acquainted?—I should think more than in most other ports.

954. You have stated that the loss which you say has followed this trade lately is confined to the home cargo; has the outward trade been a good trade?—I have understood that it has been a fair remunerating trade.

25 Feb. 1830.

W. Brown, Esq.

955. Has it been so throughout the period that it has been carried on?—So far as I know, it has.

956. Do not the American ships also go with teas directly to the Continent from Canton?—They do.

957. Can you state whether that has also been a losing trade?—I have had no particular knowledge of that trade, further than knowing that they do go from Canton to the Continent.

958. Must not any trade, in so bulky an article as tea, which is first carried to America, and from America to Europe, be charged with too much expense to make it a profitable trade in the long run?—It certainly must operate very much against it, where there is an opportunity of carrying tea on a direct voyage.

959. Have you any means of saying whether the direct trade of the Americans from Canton to Europe has been profitable or not?—I think not lately.

960. Is the business of the adventurers performed by supercargoes sent out with each ship, or is it performed by resident merchants there?—If the question refers to the direct trade from America to Canton, I think it is generally carried on by supercargoes; but if it refers to the trade that has been carried on from England to Canton, so far as I have been interested, there has been a resident upon the spot to whom the vessels have been consigned.

961. When a supercargo is sent, or a resident is employed, what is the charge of agency for that trade?—I have understood, and I believe it to be pretty nearly what is allowed to supercargoes, three per cent. or two and a half per cent. It is matter of contract altogether; but I should say it would average about three per cent.

962. Is the charge about the same, whether it is done by a supercargo sent out with each ship or by resident merchants on the spot?—I do not know what the charge of a resident merchant generally is; except that I know, with respect to the gentleman that represents my friends there, there is a guarantee that he shall have a certain sum, that their commission shall produce to him within the year a certain amount: it is a matter of bargain. They sometimes take out two supercargoes, a principal and an assistant supercargo.

963. Is it not the fact, that the Boston ships have generally no supercargoes, but go to resident merchants, but that the New York, Baltimore, and Philadelphia ships are generally sent with floating supercargoes?—My connections lying principally in New York, Baltimore, and Philadelphia, I speak more of them than I do of Boston.

964. Can you say whether the adventurers from those three places, New York, Baltimore, and Philadelphia generally go to resident merchants, or have they supercargoes with each

ship?—During my residence in Baltimore they had almost always supercargoes, latterly they have gone more to resident merchants. 25 Feb. 1830. — *W. Brown, Esq.*

965. Do you consider that a resident merchant or a resident factor on the spot, must have greater advantages in dealing in a country over a person who comes there as a stranger to carry on a single isolated transaction?—I am quite aware that the Chinese are a very suspicious, cautious people, and that to do business to advantage with them it is necessary for them to have some previous transactions with you, that they may have confidence in you; if you once establish confidence, the business is probably conducted on better terms than it would be with a passing stranger.

966. Has not a resident on the spot, beyond the advantage which he has of being acquainted with persons and with the country, the additional advantage of being able to select his own time for purchase and sale, whereas a man who goes out with a ship is obliged to perform his business at once, without waiting, and then to come back?—No doubt he has.

967. Is not it the case in that trade, as in trades generally, that when supercargoes are sent out, they make the best bargain they can with some merchant at the port, giving him as little commission as they can agree for, and pocketing the remainder?—No, I think not in China. I think that they make a contract with the Hong merchants, to whom they consign themselves, in the best terms they can; but I apprehend there is no division of the supercargo's commission with the Hong: it is well understood what he will have to pay to the Hong before he leaves the United States, and that is apart from his own commission altogether.

968. You have stated what is the custom of the Chinese in case any damaged tea is found in the cargo they ship; do you think the American trade is more subject to tricks and deceptions of that description than the English trade?—I am not able to answer that.

969. Can you state whether there is generally any material difference between the quality of the tea imported into America and the tea imported by the East-India Company into this country?—I can only speak from general rumour. The feeling on the part of the Americans is, that the tea imported into the United States is better than that we drink in England; but they do not drink so much black tea in America as they do in England.

970. Has that opinion been stated as a positive opinion?—I have frequently heard the Americans say that they thought their tea better than ours.

971. Have you been in America yourself?—Yes, I resided there many years.

25 Feb. 1830.

W. Brown, Esq.

972. What should you say from your own experience?—I am not a sufficient judge to answer from my own experience: it was many years ago, and I have very little recollection of the kind of tea I used to drink at that time.

973. Do you know the rate of insurance from Canton to America?—It has varied: it has been as high as six; I believe now about four and a half to five per cent.

974. Where are those insurances effected?—In the United States.

975. Did you mean to say that the green tea in America is better than the green tea in this country, and that the black tea in America is better than the black tea in this country?—It is a very difficult question to answer satisfactorily. I have merely heard persons who have been in the United States say generally, that the tea was better than our English tea. Particulars were not gone into; it was not said whether it was black tea or green tea.

976. Do you consider the woollens that you send out from this country of an inferior quality to what the East-India Company ship?—I have no reason to believe that they are of an inferior quality; but I am not a judge of the article myself.

977. Where are they manufactured?—The woollens are manufactured at Leeds, and the stuffs at Norwich.

978. When you buy them from the manufacturers there, do you make that bargain upon the understanding that they are of an inferior quality to what the Company ship, or do you consider yourself as paying a price for a fair quality?—The agent who has always made those purchases in this country is a partner in the house, and I have always understood from him that they were quite as good as the Company's, and bought upon equally favourable, or more favourable terms.

979. Are the goods ordered to be made by the agent, or are they bought by the agent ready made?—I believe both ways: they are sometimes bought ready made, and occasionally ordered to be made; but the detail of the transactions by the agent I am not so conversant with.

980. Have you ever understood from the agent who bought those goods that he made a point of obtaining cheap and inferior goods, rather than goods of the best quality?—I have always understood that he obtained goods of the very best quality, and that he was extremely particular about them; for the Chinese have a peculiar taste, and he endeavoured as far as possible to meet that taste.

981. You have stated that you have understood that the trade in dry goods to China, independent of the homeward cargo, has been profitable; have you had occasion to see any accounts of sales from which you have formed that opinion?—Our friend here transacting that business had made such representations

to me, and I have every reason to give credit to them, that the outward cargoes were reasonably profitable. 25 Feb. 1830.

W. Brown, Esq.

982. Then you have not seen any account sales?—I cannot say that I have; I have only seen them in his hands in passing.

983. Do you believe an American supercargo would decline introducing into consumption among the Chinese prohibited goods, or goods bearing high duties, whenever profitable to them?—I should think some of them would, others would not.

984. Do you think Englishmen and private traders would decline doing that under those circumstances?—I think some of them would, and others would not.

985. You have stated that there is a commission charged upon goods at Canton either by the supercargo or by merchants there; is it upon the invoice amount of the goods shipped, or upon the amount of the sale there?—When specie is shipped from the United States the commission is charged on the amount of the investment; when goods are shipped, and the cargo bought, there is a double commission upon the gross amount of sales and upon the gross amount of purchases.

986. Taking the gross amount of the accounts of sale of the goods sold there, and the amount of goods purchased for shipment?—Yes.

987. Have you known any transaction with a resident agent at Canton, where there has been no agreement to guarantee a certain commission?—No.

988. Then you do not know what they charge where there is no agreement?—No; I have never seen any account of sales or purchases, and I do not know what the charge is.

989. What rate of commission do you, or any other agent, receive on goods shipped for China on behalf of the Americans?—Upon the transactions that have come through my hands I have the usual commission for shipping the goods, which is half-a-crown per package, and a commission, as banker, of one per cent. for paying for those goods. The partner of the house bought the goods that were shipped through us, and of course I had nothing to do with that, but to receive and pay for them. An agent in Manchester would buy them for one per cent. I apprehend that two and a half per cent. would fully cover all commission charges.

990. You have given an account of goods shipped since 1821; was there any exportation of British manufactures from Liverpool previous to that year in American bottom?—I think not to any extent; it must have been very limited if there was.

991. Have you known any exportation of British manufactures in any other neutral bottom except American?—No, I have not.

992. Have you ever known any metals shipped from Liverpool for China?—Yes, there has been a little tin shipped, and

25 Feb. 1830. some other things, not the produce of England, quicksilver and ginseng.

W. Brown, Esq.

993. With reference to the transit trade from China by America to Europe, are you aware whether many of the ships which go to America merely land part of their cargo, and carry the rest on to Europe, without moving it?—I believe it sometimes happens, but I should think not generally.

994. What is the nature of the goods generally exported from America to Canton?—Scarcely any thing but specie from the United States; I have known a little cotton go when it was very cheap.

995. Have you have ever known any earthernware sent from Liverpool to the East, to Sincapore or China?—There has been a little sent out for the use of the Factory; but nothing that I know of in the way of merchandize.

996. Do you know whether the woollens imported to this country by Americans are ever smuggled into Canton?—I believe not, as far as I know.

997. Has any glass been exported?—A little in the same way for the use of the Factory, but not for trade.

998. Are you aware whether there has been any considerable change in the quality and sorts of articles sent out for the Chinese market from this country?—I think not much; they have been very stationary.

999. In your experience of the American trade, is it not frequently the practice for merchants to send out their ships to some ports in the East, with orders, in the event of their being disappointed in one adventure, ultimately to go to China?—I should think it did not often happen: it may have happened; I have no doubt it has happened.

1000. Do not you consider it a considerable advantage to free-traders to have that power of choice of markets in the event of their being disappointed in one?—Certainly.

1001.* Do not you consider that the merchants of any nation having that free option, have a great advantage over others who are excluded from certain ports?—Certainly.

1002. Can you state whether, in the course of your communication with any Americans who have dealt at Canton, they have expressed any opinion that their trade there is subject either to any particular advantage or disadvantage, from the circumstance of there being a great English Factory there dealing with the Hong merchants?—I never understood from them that they had any advantage or disadvantage; I always understood that they were on a perfect footing of reciprocity with all other nations that traded there.

1003. But you did not consider those traders trading there as deriving any particular protection or advantage from the existence of the Company's Factory?—None whatever.

1004. Have the supercargoes of the American ships any communication with the Company's Factory?—With the Hong merchants they have: the Hong are security for their good conduct and for the proper management of their affairs. 25 Feb. 1830. W. Brown, Esq.

1005. Do you know how the losses were made good to the Americans at the period of the fire at Canton?—I do not; I merely know the fact that they were made good.

1006. Then you are not aware that such losses were made good by a tax upon foreign trade?—I was not aware of that; it may have been so.

1007. Do you know whether there have been any experiments made lately in sending out new articles of manufacture which were supposed likely to suit the taste of the Chinese?—Yes; I have understood that there have been lately some attempts made to introduce cotton-yarns to that country with some prospect of success.

1008. Are they the only articles?—They are the only articles I have had my attention particularly called to.

1009. Can you state what was the result of this?—I do not know.

1010. You stated that the woollens sent out by individuals were as good or better than those sent out by the Company; have you the means of knowing the quality of the goods sent out by the Company?—The gentleman who bought them in this country, I believe, has had an opportunity of seeing those purchased, and in preparation for the Company, and he stated to me that he conceived them as good, or in some cases better; but I only know that from the information of the gentleman who bought them.

1011. Do linens ever form any part in the investment at Canton?—Yes; in the first instance there were some shipments of linens, but not latterly.

1012. Did you find that it did not answer?—I believe not so well.

1013. Were they coarse or fine linens?—That I cannot state.

1014. Do you conceive, in reference to your own personal situation, that the opening of the China trade with this country, by doing away the Company's monopoly, would be to your interest or otherwise?—I think it would be against my interest.

1015. How would it affect your interest?—My interest would be affected, inasmuch as those gentlemen I represent in this country might not find it worth their while to come in competition with the English free trade.

1016. Your apprehension would be, that the British free trade would throw the Americans out of the trade between China and this country?—I have no doubt it would in the first instance; for to every market we go we send such quantities of goods.

25 Feb. 1830.

W. Brown, Esq.

1017. It is in that way your interest would suffer?—Yes.

1018. To what extent have you known damages or deficiencies in the cargoes from Canton to have been made good to American agents?—Not very extensively: probably half a dozen instances I have heard of; probably not so many.

1019. Do you know of any one instance?—Yes, Mr. Milne has told me he has had to send back, and got two for one.

1020. Do you recollect in what ship?—No.

1021. Do you know to what extent?—Not to a great extent; a chest or two; but I have heard of it in more cases than one.

Mr. RICHARD MILNE called in, and examined.

Mr. R. Milne.

1022. Did you reside in Philadelphia for any number of years, and have you carried on trade with China?—I have resided there a considerable period; my leading business vending English goods; but I have very often made adventures to India and China in vessels on freight.

1023. For how many years were you engaged in the trade with India and China?—I commenced in the year 1799, and continued, I think, till 1811, and occasionally since; the last time 1820.

1024. Have you consigned more than one ship direct to China in the course of those periods?—At the period alluded to, the vessels went chiefly on freight. I was a shipper, and have shipped in different vessels in the same year at moderate amounts, being my own underwriter, running the risk myself.

1025. What were the articles you shipped to China in particular?—Almost always Spanish dollars.

1026. From Philadelphia?—Yes.

1027. What were the returns?—Teas, nankeens, and silks, were the leading articles from China; occasionally other articles to fill up the tonnage.

1028. How long is it since you left the United States?—In the year 1828. I am a native of Manchester.

1029. Are you acquainted with the trade between the United States and China since you ceased to take a part in it yourself, namely, in 1820?—After I left off making adventures on my own account, I loaned money to others on what is termed respondentia, that gave me the means of general information.

1030. During the time you were engaged in this trade with China, or since that period, are you aware of any obstacles having been thrown in the way of trade by the Chinese authorities?—I never heard of any obstacles.

1031. When you carried on the trade to China, had you supercargoes in the ships, or a resident merchant to transact the business at Canton?—From Philadelphia, at the period alluded to, supercargoes almost always accompanied the ships.

1032. Had they a regular salary or a commission?—They had a commission.

1033. What rate of commission?—Three per cent. upon the amount of purchases at Canton.

1034. Did that include the security to the Hong?—The security to the Hong, I believe, was estimated on the rate of freight which we paid: taking that consideration as one of the charges attaching to the ship, they asked a corresponding freight.

1035. You have stated, that when you carried on this trade the ships were always accompanied by a supercargo?—I think without exception.

1036. This supercargo generally was an entire stranger to Canton, and to all persons there probably?—Sometimes those supercargoes were men of business and very intelligent, at other times young persons brought forward through interest for the sake of the commissions. I have often shipped with those less experienced persons, the vessel being what was termed a good risk.

1037. When the persons were so inexperienced, did you ever get into any difficulty with the Chinese authorities or the Hong merchants at Canton?—I never heard of any.

1038. No difficulties occurred in consequence?—No difficulties whatever occurred to the vessels in which I was interested.

1039. When it was an inexperienced supercargo, the advantage of the merchant was not perhaps so much consulted as when it was a man of more experience and judgment?—We, of course, preferred gentlemen of experience; but if it was a very good vessel, and no other presented itself, we availed ourselves of it.

1040. Did those adventures in which you were engaged receive any assistance or meet with any obstacles from the establishment of the British East-India Company?—My opinion is, that they had little communication with each other. I have often heard them say so.

1041. You are not aware that they derived any advantage or benefit from the Company's servants?—I do not apprehend that they derived any advantage whatever from the Company's servants; but I have often heard them speak in terms of the highest respect of the Company's servants.

1042. You have no reason to believe they were ever thwarted or impeded in any of their engagements by the Company's servants?—I do not believe they were.

1043. As you have been a considerable importer of teas into the United States, will you state to the Committee what are the general description of teas used in the United States?—Till of late years green teas in the part of the country where I resided, were almost the only teas brought there. Of late, black tea has increased, being recommended by the faculty.

25 Feb. 1830.

Mr. R. Milne.

1044. Can you state what the proportion of green and black is at present ?—I think the quantity of black tea is small ; it is increasing.

1045. What is the consumption of tea in the United States altogether ?—I forget. There is an annual report from the Treasury ; but there must be from the United States more than twenty ships annually, perhaps thirty : the number varies according to the demand and the state of the trade.

1046. Have there been great profits in that trade, or has it been liable to heavy losses ?—At the period alluded to my business was vending English goods. Not having a great deal in the world, I was desirous of increasing it, and I shipped to China as an auxiliary. Not owning the vessel, of course I laboured under some disadvantages from 1800 to 1811. I never experienced any loss in those years. I think, speaking within bounds, that the profits might be from fifteen to twenty per cent. per annum ; perhaps occasionally more, but I think I may safely say from fifteen to twenty.

1047. Was a part of the tea imported into the United States re-exported ?—Yes.

1048. To what ports ?—Hamburgh, Bremen, the Continent ; some little to France, but principally to Hamburgh and Bremen.

1049. Did any part of it find its way into the British provinces in North America ?—I have heard much of that. I believe the trade existed formerly, but not now ; to what extent I cannot say.

1050. Can you state what was the proportion of teas exported to other countries, including what might find its way to Canada, to the whole quantity imported into the United States ? —That would depend entirely on the home demand ; the quantity exported comparatively small. When fresh teas arrived and the old ones lay on hand they were neglected, consequently persons were induced to export them to save the drawback or the duty paid on import.

1051. Are the Committee to understand from that answer that the new teas are greatly preferred to those that have been a certain time on hand ?—Decidedly so : it is difficult to sell the old teas after the new ones come, save when the quality of the old ones has originally been very superior.

1052. What do you call old teas in the United States ; tea which has been a twelvemonth ?—Yes. The Government only allow drawbacks within one year from the date of import ; the goods having been in the country more than one year from the date of import, forfeit the benefit of drawback.

1053. Are they then exported in preference to the new teas, both as inferior in quality and as coming nearer to the period at which the duty would be to be paid ?—Having on hand and in the warehouse both old and new teas, I certainly should ex-

port the old ones, keeping the new ones a longer period, for the benefit of home sale. 25 Feb. 1830.

Mr. R. Milne.

1054. Has the quantity imported of late years been so much greater than the consumption as to make this a bad trade?—It certainly has, I believe, been overdone.

1055. Have there been great losses sustained in consequence by the parties who have been engaged in this trade?—I believe there have been very large losses.

1056. To what do you attribute this over-trading?—In part to the love of gain of persons who have got embarked in the thing, conceiving that if they got a larger quantity of goods probably they might recover themselves. The consumption of the country, I should think, has rather increased the facility given by Government in the duties, which is, one year from the arrival of the vessel the goods are entered, put in bond, and from the date they are taken out there is a credit given of one year, on the bond of two merchants.

1057. You state that the parties who have sustained losses might carry on this trade to excess, from the facility in the mode of giving credit on the duty due from those parties, they sustaining their affairs by carrying it on with a capital belonging, in fact, to the Government?—That has been the case; I believe the Government is sensible of its having suffered.

1058. Do you attribute the over-trading, in part, to the deranged situation of some of the traders having a facility of meeting their engagements by the twelve-months' credit they have obtained on the duties?—I think I may safely say that would be my conclusion.

1059. Can you state to the Committee what has been the average rate of duty on the different teas that have been imported into America, at present, upon the sale value?—It is very high.

1060. Is it equal to the same value, is it 100 per cent.?—I should think, perhaps, 75 to 100 per cent. upon the cost price in China. I have a number of prices current which show the precise duty on the tea.

1061. You consider the duty on all sorts, taking it as an average, to be about 75 to 100 per cent. on the cost prices in China?—I think it is that; in some instances it will be more than that. I can explain the duties paid on each kind of tea: bohea tea pays 12 cents per pound duty; congou, 25; souchong, 25; hyson-skin, 28; young hyson, 40; hyson, 40; gunpowder, 50; imperial, 50 cents per pound.

1062. Have you got the prices at which those several sorts of tea sell?—I have made out a memorandum of the prices which teas have sold for at New York from the year 1820 to 1829, less the duty.

[*The same was delivered in, and read as follows*:—]

PRICES of TEA at New York, in each year from 1820 to 1829, reduced to sterling, at the exchange of 8 per cent. premium.

—	1820.	1821.	1822.	1823.	1824.	1825.	1826	1827.	1828.	1829.
Imperial . . . . . . per lb.	3/1½ a' 3/4	2/7 a' 3/4	2/11 a' 3/4	3/1½ a' 3/4	3/1½ a' 3/6½	3/4 a' 4/2	2/11 a' 3/6½	2/8½ a' 3/11½	2/6 a' 3/6½	2/5½ a' 3/9
Gunpowder . . . . —	3/4 3/6½	2/3½*d.* 3/7½	3/1½ 3/9	3/1½ 3/9	3/1½ 3/6½	3/4½ 4/2	2/11 3/6½	2/8½ 3/11½	2/6 3/6½	2/5½ 3/9
Hyson . . . . —	2/1 2/9	2/0½ 2/8½*d.*	23½*d.* 2/11	2/1 2/9	2/5½ 3/1	2/8 3/4	2/1 2/11	2/3½ 3/6½	2/1 3/6½	1/10½ 3/1½
Young Hyson . . . . . . —	17½*d.* 2/3½	19 *d.* 23 *d.*	20 *d.* 23½*d.*	2/3½ 2/9	2/3 3/	2/1½ 3/1½	1/8 2/10	17½*d.* 3/6½	15*d.* 3/6½	17½*d.* 3/0
Hyson-skin . . . . —	13½*d.* 16 *d.*	12½*d.* 16 *d.*	12*d.* 16*d.*	16*d.* 21*d.*	23½*d.* 2/4½	18½*d.* 2/7	11*d.* 2/2	11*d.* 2/2	8*d.* 23½*d.*	8½*d.* 23½*d.*
Souchong . . . . —	13½*d.* 14½*d.*	12½*d.* 13½*d.*	13½*d.* 15½*d.*	14½*d.* 17½*d.*	12½*d.* 2/1	12½*d.* 2/1	10*d.* 2/1	13*d.* 2/7½	11*d.* 2/7½	12½*d.* 2/1
Congo . . . . —	7½*d.*	7½*d.*	7½*d.*	7½*d.*	8½*d.*	8½*d.* 12½*d.*	none.			
Bohea . . . . —	11 *d.* 11½*d.*	11 *d.* 11½*d.*	10½*d.* 11 *d.*	6½*d.* 8 *d.*	10*d.* 10½*d.*	8½*d.* 9*d.*	7½*d.* 8½*d.*	8*d.* 9*d.*	8*d.* 9*d.*	9*d.* 10*d.*

25 Feb. 1830.

Mr. R. Milne.

1063. When you say less the duty, you mean the duty off, or what is commonly called short price?—Yes.

1064. From what have you compiled that?—From the prices current published at New York. I believe also they were extreme prices. In going into the New York market I could buy teas cheaper than those for money. I have no hesitation in saying that I believe it is tolerably correct; but wherever there were fractions, I added them to the price, so as to enable me to speak with confidence when I came here.

1065. Do those prices-current from which you have compiled this table state the highest prices?—I believe they do fully so, with a view to supporting the market.

1066. Are those the cash prices, or is there a discount?—They are the prices at a credit of from four to six months.

1067. How much lower would they be for cash?—I think I may say four or five per cent. lower.

1068. Does the account you have delivered in show the specific duty?—It does not: these papers do, and I have just stated the duty to the Committee?

1069. You are understood to state as the result of your investigation, that, as near as may be, you think the average specific duty on the China cost is 75 to 100?—Yes; there are instances in the case of hyson-skin tea in which it is more; it is full that in the instance of hyson-skin; it is a good deal above 100.

1070. Is it 75 per cent. in the cost price at Canton, or on the sale price at New York?—It exceeds 75 per cent. in the cost price in China.

1071. What do you suppose it may be on the sale price at New York?—If hyson-skin tea sells for 63 cents and the duty is 28, that is about 45, I think, without calculating it. It is a specific duty per pound: the papers are here, and the calculation is simple; I prefer stating the simple duty per pound.

1072. Is the present rate of duties the same as it was in the year 1820, or has the tariff increased those duties?—I think, according to my recollection, that duty was not increased by the last tariff, but I am not certain.

1073. The mode of transacting this business in America is something of this sort, that the importer obtains from the government a credit of twelve months for the duty when he takes his tea out of bond and sells it?—Exactly so.

1074. He sells it, you say, on a credit of six months generally?—Yes.

1075. That credit of six months is a bill of exchange probably?—A promissory note.

1076. That is immediately convertible into cash on a discount by the banks in America?—The banks discount paper at

25 Feb. 1830. four months; seldom so long as six, unless they have an over-abundance of money.

Mr. R. Milne.

1077. The importing merchant selling his teas with the duty, at what is called the long price, has a capital equal to the duty to carry on a future operation, and to speculate again on a fresh import?—The prevailing opinion in America is, that this duty puts him in full possession to purchase another full cargo. When I speak of the duty being 75 to 100 per cent. on the cost in China, I conceive I am speaking within bounds. It is generally conceived that the long credit given by the government enables the importer to send his vessel again direct to China, and import another cargo.

1078. Do you attribute any part of the over-trading to the facilities of those credits, and to the protection it gave to a person in bad circumstances, as not compelling him to meet his engagements?—It is the prevailing opinion that the advantages derived from the credit contributed generally to the over-trading.

1079. Does the same system prevail in any other branch of American trade; the import of manufactured goods from this country for instance?—We have eighteen and twelve months on European manufactures; English are the bulk.

1080. The duty being very high on English manufactures, does it not create a credit, advanced by the government, which gives great facilities to over-trading?—That is the prevailing opinion, and remonstrances have been repeatedly made to government to lessen the credit, with a view of putting it out of the power of enterprizing or speculative persons to deal on the scale which they do.

1081. Does it not give great facilities to parties whose circumstances are deranged, to carry on trade for a long time after they ought to settle with their creditors; and is it not the result, that the government secure the whole of their assets when they are driven to the necessity of closing their concerns?—Government have suffered of late.

1082. But their individual creditors suffer to a greater degree, do they not?—The individual creditors have suffered to a great extent, of late years. The greater part of the English goods vended in America have been done by commission houses, who made advances to manufacturers in this country, by coming under acceptance for 60 or 70 per cent.; it applies to other things.

1083. Have there been losses of a like nature with those in the China trade sustained in any other branches of the trade of America from this facility of credit?—I think not to the same extent; nothing so great.

1084. Is there any circumstance in the trade in tea which has

made the loss heavier on that branch than on other articles of trade?—The facility of the credit in the duty. 25 Feb. 1830.

Mr. R. Milne.

1085. Is the credit greater on tea than on other articles?—The credits on China goods are six, twelve, and eighteen months; the average is longer on China goods than on European.

1086. Are there any other causes that have interfered with the tea trade of the United States?—I do not know of any materially.

1087. Have not duties been laid in Europe on the import of teas through America?—I believe there has been something of that kind of late; but I cannot speak to it.

1088. The trade to Canada, you are aware, is no longer carried on?—I believe not.

1089. Has the result been a diminished import into the United States?—I believe since 1827-8 the import has fallen off.

1090. Do you consider the trade now in a thriving or a depressed state?—In a depressed state.

1091. Is it as much so as it was in 1827-8?—I understand it is depressed.

1092. As you have imported a considerable quantity of tea, and have been a dealer for many years, what is your opinion of the relative qualities of tea imported into the United States and that imported into this country?—I believe the tea imported into the United States to be good.

1093. Is it as good as the tea consumed in this country?—I should think it is equal in quality; the green teas particularly.

1094. Do you speak from your own knowledge?—I speak from my own knowledge, and having heard English ladies say it was quite as good tea as any that they had ever drank in England.

1095. You think, from your experience, that tea is deteriorated by keeping?—I think it is.

1096. Have the prices at Canton been uniform and steady, or have they varied?—They fluctuate.

1097. Do they fluctuate almost every year?—That is governed by the demand.

1098. You never found any difficulty in procuring whatever quantity you required?—Sometimes in the article of young hyson, it was difficult to procure sufficient of the best quality; of the other teas generally abundant, or often abundant: the young hyson of fine quality was often scarce.

1099. In the market at Canton, is there any difference in the price of tea of the like description, in consideration of its being older or fresher?—Old teas are always sold cheaper in China.

1100. Does the same difference in price prevail in the United

25 Feb. 1830.

Mr. R. Milne.

States?—They are always more difficult of sale. If the market was abundantly supplied, it would be difficult to sell old teas, unless the quality of them was very fine.

1101. With whom were the transactions carried on at Canton for the purchase of the teas generally? A part was always bought of the security-merchant; the residue from other gentlemen in the Hong, and a part from the outside merchants or shopmen, as they are called.

1102. In what proportions?—I cannot speak to that; I should think that would vary.

1103. Is the quality of tea purchased from the outside merchant equal to that procured from the Hong?—I should think it is, some of them being highly respectable; in short, quite favourites, one or two of them.

1104. So that you think teas of equally good quality are to be procured from the outside merchants with those obtained from the Hong merchants or the security merchants?—I think they are, but probably not in the same quantities.

1105. You have stated the commission to a supercargo to be three per cent.?—I think it was uniformly so.

1106. Have you ever, instead of employing a supercargo, employed any resident agent at Canton?—I have not myself, but some of the merchants of Philadelphia did.

1107. What was the commission they paid to the resident agent?—It would not vary much from three per cent.; if it varied it would be a mere fraction, it would not be more.

1108. You would prefer employing a resident agent to a supercargo perhaps?—There are often two supercargoes on board the vessel, and it is a protection to the cargo.

1109. Do you allow any commission on the outward investment?—Not any. The outward investment is dollars; the commission is solely on the purchase at Canton, or on the amount of dollars paid there.

1110. A supercargo going to Canton has no commission on the investment at Philadelphia?—He has no commission save on the amount invested for the return voyage.

1111. Is no commission given to the native or Hong merchants?—None that I know of.

1112. When you talk of old teas, what is the age of a tea you consider as old?—I should suppose the teas of the previous year are considered old; but they might have been on hand longer.

1113. Can you state from recollection the comparison between teas of the like description of the preceding year or the current years?—In two or three instances, I ordered old skin teas if they were to be had cheap; and the old teas cost 17 or 18 tales, when the new teas would be worth 22 to 24.

25 Feb. 1830

Mr. R. Milne.

1114. Do you mean to say that there is a difference of at least 30 per cent. in the value of teas of the like description, from the circumstance of the one being a year older than another?—I do not think that the difference in value will be generally so great, but I mean to speak from what I have experienced in solitary instances.

1115. Does that difference apply equally to the finer teas?—I think not in so great a degree as to the common teas.

1116. Do you know what is the duty now paid on tea in the British provinces of America?—I have understood it to be very small. I do not know whether it is more than two to four-pence per pound.

1117. Have you the sale prices of tea at Quebec or Halifax?—I have not any.

1118. Has the consumption of young hyson greatly increased in the United States compared to other teas?—It is the favourite tea, and there is always a great demand for it; so much has been brought of it of inferior quality that the price has been reduced; the Chinese finding the demand for it increased the quantity.

1119. Has it happened in the importations that you have had to open any chests of bad quality?—I recollect receiving a chest of tea filled with sand or something of that kind; I sent it back, and if my recollection be correct, I received two for it. I know it is the custom in China to return two for one in case of fraud or deception.

1120. Do you conceive the outside traders, the parties of whom you purchased tea, as men of fair character and honourble in their dealings?—I believe the Hong and many of the outside to be fair dealers, and quite men of business.

1121. As much as are generally met with in the trade of other countries?—Their character is sometimes lightly spoken of, but I have heard American gentlemen say that it is unjustly so, that they find them fair.

1122. Do they ever give any credit in China?—I think in the year 1819-20 I experienced misfortunes in England, and I received a credit of a few thousand pounds from Mr. Howqua; he knew nothing of me but from inquiries.

1123. Do you consider the Chinese merchants, and the authorities in China generally, as disposed to give every facility and encouragement to fair trade with the United States?—I think so; it is generally understood, what is called a rich ship in America is very acceptable in Canton.

1124. Do you know any other instance of credit having been given?—I believe the Chinese have suffered greatly from giving credits.

1125. Giving credit to Americans?—I will not confine myself to Americans; there certainly have been instances of their suffering.

25 Feb. 1830.

Mr. R. Milne.

1126. What is the difference between purchasing on credit and purchasing for ready money in the price of tea?—In the instance to which I allude, and I do not mean to speak beyond that, I paid Mr. Howqua one per cent. per month until the money was returned; I accomplished that in ten months. It was impossible to calculate the interest, not knowing when the vessel would arrive, and I think I still owe him £50; but he sent me the bond, giving it up, saying I had been prompt, and he did not wish for any more.

1127. As far as your experience goes, have you every reason to think that, in transacting business generally at Canton, there is the same disposition and facility to encourage fair dealing as in other countries?—I have no reason whatever to doubt that.

1128. Have you ever, in any of your dealings with England or any other country, found the merchants give up £50 which you consider them entitled to?—I never owed interest-money to any one; this was accidental.

1129. In fact, you do not consider the Chinese as disposed to thwart or throw obstacles in the way of commerce carried on in a fair manner with foreign merchants?—I should conclude them rather friendly to commercial intercourse. Vessels going there with Spanish dollars, I think, have great advantages, and are very well received.

1130. Have you any experience of vessels going there with assorted cargoes of manufactured goods?—I never shipped goods myself, only I observed what my neighbours were doing.

1131. Were you connected with the China trade at the time of the great fire at Canton?—No.

1132. Do you know whether the losses sustained by the merchants of the United States were made good by the government?—Only by report.

1133. Have you any reason to doubt that the trade of the United States with Canton, when the effects of this over-trading are done away, will be a remunerating trade like others?—I should think it would, if conducted on correct principles.

1134. What has been generally the freight per ton from Philadelphia to Canton and back?—In the periods in which I was first interested vessels were in request rather. We pay ten per cent. on the amount shipped; paid the money in China, and were entitled to two tons and one-eighth measurement for every 1000 dollars shipped.

1135. Do you know the present rate?—I believe it is lower, but I cannot speak to that.

1136. Is there any protection by any public authority on the part of the United States to the trade of their citizens at Canton?—There has been a consul there.

1137. Is there one now?—I am not certain; the gentleman

who resided there has returned to America, but whether there has been a successor appointed I am not certain.

1138. How was the consul paid?—I do not think he received any thing, but I am not certain. I heard it said that he acted gratuitously, but I cannot speak to that.

1139. Since the period you first embarked in this trade, the quantity of tea required for America has probably increased?—Very greatly.

1140. Supposing it to increase in the same proportion in the next thirty years as it has done in the last, do you think there would be any difficulty in supplying the increased demand?—I cannot well answer that question. I have always understood the Chinese could supply any quantity of tea; but I am not able to answer that question.

1141. Was there any difficulty experienced from the increased demand?—It enhanced the price a little, but not materially, on that account, I think.

1142. Has there been any difficulty in procuring the black teas in China, now that the demand for that article has increased?—The importation of black teas from China into the United States has been very limited till lately. I have never heard of any difficulty, but I cannot speak to it; I never remember any.

1143. You have stated that the quantity now imported, and the demand for it, are increasing?—Yes.

1144. But you never heard of any complaint of difficulty in procuring it?—No.

1145. With respect to green tea, do you contemplate any difficulty, supposing the quantity of that required to be increased?—I cannot speak to that, but I never heard any apprehensions on that head expressed by any one.

1146. Do you know whether the Americans, in their supply of black tea, are limited to qualities which do not suit the British market, and are not taken by the East-India Company?—The black tea imported into America is chiefly souchong, or what is called souchong; very good tea; I make use of it myself; I never heard any difficulty expressed.

1147. Do you find it of as good a quality as that you find in England?—It was very good tea. It would be wrong in me to speak on that head, it being rather a new thing, or new to me; the fine black teas in England are of excellent quality.

1148. Are the port charges required by the government of China very considerable on American vessels?—The ships going from the United States generally will average about 350 to 400 tons; the port charges are supposed to be 7,000 dollars: they used to be reckoned at 8,000.

1149. Supposing the ship to be double that size, will the port

25 Feb. 1830. — *Mr. R. Milne.*

charges be the same or greater?—I understand the same, but I cannot speak to that.

1150. You are not acquainted with the trade at Sincapore, or any other port?—No, I am not.

1151. The first thing a ship does on arriving at Canton, is to make an arrangement with the security merchant?—The supercargoes land, I understand, like men of business, and go first to one Hong and then to another, and inquire the prices of goods, and secure the ship with a person to whom it may appear to them of most advantage.

1152. With the member of the Hong who will do it on terms the most favourable to the ship?—Yes.

1153. The parties then go from one Hong merchant to another, till they have ascertained who will do it on the most favourable terms?—So I understand.

1154. They are at liberty to employ whichever they please? —I have understood they were on shore several days before they fixed.

1155. Making their bargain?—Yes, so I understand.

1156. And the government does not interfere to prevent that?—I believe not at all; I have always understood the business to be simple and easy.

1157. Does it amount to any thing more than an agreement with the Hong merchant to take a certain quantity of goods from him for his being the security?—I believe they uniformly purchase a part at the price agreed on.

1158. Not higher than the market price?—No.

1159. When you state that it is a simple operation, he agrees with the Hong merchant, who will supply him with a certain quantity of goods on reasonable terms?—Yes; but if I go with a rich ship, I can make good terms. I pay money, of course, which gives me advantages.

1160. They are glad to supply you at the market price?—Yes, very glad.

1161. Is not the difficulty greater when you carry out goods than when you carry out specie?—I never shipped goods; I should conclude it was certainly greater.

1162. You have stated that you have carried on this trade from the year 1799 to 1811?—Yes, and occasionally; the last time in 1820.

1163. Is there any circumstance in the trade, according to your opinion, which induced you to leave it off?—I did not find it profitable.

1164. You have stated that new tea was greatly superior in price to old tea; do you mean new tea bought in China, or tea which has been long kept in the United States of America?—I intended the remark to apply in both ways.

1165. What period do you consider long in tea, after its arrival, being kept in the United States before it was sold?—At New York, in the case of some of the persons who have been unfortunate, the old teas were sold at ruinous prices.

1166. How long had they been kept on hand?—They had forfeited the drawbacks: of course, they had been more than one year in the country; probably two; I cannot speak to the time. They were sold very low in the case of Mr. Smith.

1167. Witho t any other circumstance in the market, the quality of the teas was held to be of less value in consequence of the time they had been on hand?—Yes.

1168. You have stated that the trade became less profitable; can you state what the profit was by your last investment from China?—I did not make much, or rather I did not make any thing. I believe it has occasionally been better since.

1169. Did you ever hear of any disputes arising between the American subjects and the Chinese government?—I have mentioned that in those cases wherein I was interested nothing unpleasant ever occurred. I only know from the public prints relative to the sailor, a case which has been mentioned; the vessels in which I was interested never experienced any difficulty.

1170. You have had no information from other persons as to those disputes?—No, I have not.

1171. You have stated the proportion of price in China between the fresh teas and the old teas; have the goodness to state what, upon the average, in the towns of America, is the difference between teas of a year old and the fresh teas; is it five, ten, fifteen per cent., or what proportion?—Taking care what I say, I should say it exceeded five per cent.; but I do not mean to pledge myself. It is extremely difficult to sell them, unless the old teas have been originally of a very good quality.

1172. Is it not an universal opinion that the quality originally of some of the fresh teas is better than of the stale tea?—There is uniformly a decided preference; it is extremely difficult to sell the old when the new arrives.

1173. Are you aware that the East-India Company in this country are obliged by law to keep their teas a year before they sell them?—I have heard that the teas were kept a long time; I was not sensible of it; I have heard the subject mentioned; I have no knowledge of the law.

1174. Supposing that to be the case, and that the East-India Company, either by compulsion of the law, or other circumstances, were in the habit of keeping their teas always a year before they sold them, do not you think that any other trader offering in the market fresh teas, would find a great preference over the Company?—Decidedly so.

25 Feb. 1830.

Mr. R. Milne.

1175. That the taste of this country, like that of America, would pronounce itself in favour of the fresh tea over the stale?—Decidedly so.

1176. You have stated the duties in America to be levied on the different teas, mentioning the teas by name, so much on souchong, so much on twankay, and so on?—Yes.

1177. Is it not common for one quality to be packed up in China with a different name: hyson for hyson-skin, or young hyson, and so on, for the purpose of affecting the rate of duty to be collected in America?—That would be considered a great fraud, and, of course, persons of respectability never do such things; I have no knowledge of it myself; I have heard of a person in New York practising some deceptions, but of course he lost credit, and the thing was discontinued, I imagine; I have no knowledge of such frauds, and cannot speak to them; I should consider the instances very few.

1178. Do you suppose that if, for instance, young hyson was packed for hyson-skin, a custom-house officer could distinguish the qualities on their arrival?—I think he could.

1179. And that any fraud attempted of that description would be detected?—If such frauds exist the instances are very few.

1180. You have stated up to what time your trade was profitable and when it ceased to be so, and when you were induced to retire from it; from the period that the China trade ceased to be profitable, has not almost all foreign trade of every description been losing?—All foreign commerce from the United States has, generally speaking, been very unprofitable.

1181. Do you think that this China trade to which you allude has merely fallen into the same position with almost all the shipping trade of the country?—When I left the China trade I turned my attention to cotton, which my friends and connexions in Lancashire were quite at home in, but I did not better myself much.

1182. The commerce generally has been a losing occupation for many years past?—I believe a good deal so.

1183. Were you ever concerned in a whole cargo to China?—Merely as shipper on freight.

1184. To what extent?—As my capital increased, my business increased, commencing moderately.

1185. That is the practice in the American trade?—Yes.

1186. When you speak of the foreign trade of the United States being a losing one, do you mean to apply that remark to the import of raw materials into this country, or the whole course of trade, including the import and export trade?—I believe that a person who imported English dry goods judiciously, what I would term a practical man, even yet, under all

the difficulties, makes a little money; at least if he did not grow very rich, he would get a living, I think, with economy. 25 Feb. 1830.

Mr. R. Milne.

1187. The profit made is chiefly on the export of manufactures from this country to America?—The commerce of the United States is very extensive; and various persons who export colonial and domestic produce often lose money. Persons who import English goods on a moderate scale, and have judicious agents in this country, I believe, are rather benefited, but not materially, of late.

1188. The benefit of the trade, upon the whole, consists more in the profit on the manufactured article than in the exportation of the raw material?—Yes, I think so. Importers of French goods do well sometimes; but to these points I cannot speak explicitly.

1189. Have you ever imported any China silk goods?—I have done so.

1190. Have you ever imported any raw silk?—Never.

1191. Has the profit on China silk goods been equal to that on tea?—I think, on the whole, better.

1192. Have you ever imported any nankeens?—Yes.

1193. What proportion of profits do nankeens bear to other articles imported?—The nankeens were often a bare article; sometimes they lay on hand.

1194. Should you say that the demand in America for tea is increasing?—The population increases greatly, and the demand for tea increases with it. The usual breakfast is coffee; they drink tea in the afternoon.

1195. Do the labouring classes in the United States drink tea as they do in this country?—I believe they do.

1196. Was there any export of tea from the United States to any of the southern ports of America?—A little, I think, but limited. I cannot speak to that; I have heard of it.

1197. Do you know that any teas are smuggled into the Canadas?—I have heard much of that. I have been in Canada, and heard of it there, and I suppose it did exist: I have spoken to that in the former part of my evidence.

1198. When you mentioned the quality of tea in America to be as good as that in England, did you refer to the fresh tea in America or the old tea?—I believe the whole of the green teas, the hyson, the imperial, and gunpowder, to be as good tea as can be produced, in my opinion.

1199. As good tea as there is here?—Yes, I think so; they have been bought for Spanish dollars.

1200. Do you refer to the fresh teas of those descriptions, or the year-old teas of those descriptions?—I refer to the teas generally, when they are imported, being of as good quality as can be procured.

Lunæ, 1° *die Martii*, 1830.

JOHN FRANCIS DAVIS, Esq. again called in, and examined.

1 Mar. 1830.

J. F. Davis, Esq.

1201. The Committee understand that trade, on the part of the East-India Company, is given in shares to the Hong merchants; will you state the proportion of those shares?—The shares are in number twenty-one; of which the chief Hong merchant has four, the four next three, and the two last two and a half each.

1202. Are there not some of the Hong merchants insolvent?—Certainly not; they are all in full trade.

1203. Do each of them really receive those shares of the trade. Some of them receive more, according to the teas which may be at their disposal beyond the actual *contracts*. Those proportions apply only to what are called the contract teas, about three-fifths of the Company's investment. The remaining two-fifths are left to be filled up by casual tenders on the part of those who may have the best teas to offer.

1204. Are the casual tenders always from the Hong merchants, and never from any other party?—From the Hong merchants.

1205. Are those shares considered of value?—As regards the teas, but otherwise as regards the imports; for the Hong merchants sustain a loss upon a great number of imports.

1206. Upon the whole you consider them valuable?—They must be so.

1207. Have you ever heard them estimated at any certain amount?—I have heard such conjectural estimates; but they must be mere guesses, as we cannot have access to their books.

1208. Have you ever known them to be sold?—Certainly not; it is quite out of my knowledge.

1209. Did you ever hear that each share was reckoned worth 40,000 dollars?—It must be a guess on the part of the person that reckoned it.

1210. With respect to contract teas, is the contract made each year?—It is made in the preceding season for the subsequent one.

1211. And the price then settled?—Always in reference to each denomination of tea. There is a descending scale of prices; and in reference to the tea which may be produced under each class, the price is settled.

1212. Is that series of price settled every year, or does it go on from year to year?—The series of prices, in reference to qualities, is settled, and has been for some time. One difference I recollect that lately took place; it was a general reduction in

1 Mar. 1830.

J. F. Davis, Esq.

the prices of teas, one tale under every character. It took place in the year 1825, and was in favour of the Company to the amount of about £20,000.

1213. Then, with the exception of that diminution, the prices for each class of tea have been settled for some time?—They have.

1214. Do you remember how long?—I cannot state exactly.

1215. But from 1825 to the present moment the same price has been given?—Yes, generally.

1216. Are the teas that are not contract teas purchased also according to a scale of prices, or according to the market price? —They are purchased in reference to their quality, and according to the scale.

1217. That is, in fact, upon the same rule with respect to price as the contract teas?—No; they are necessarily lower in price, being lower in quality.

1218. What do you call the teas which are not contract teas? —There is a certain portion called "winter teas;" the remainder must be described by the negative term, "not contract teas."

1219. According to their quality, would the teas that are not contract teas be purchased by the Company at the same rate as the contract teas?—No; they are always understood to be lower.

1220. In what proportion are they lower?—The proportion must be gathered from the total; it is impossible for me to state it.

1221. Upon what ground is it that they are lower?—On the ground of their being inferior, or perhaps old teas.

1222. Are they always old teas?—Not always, but upon the ground of their being generally inferior.

1223. Is there not a portion of the winter teas which is of a superior quality of tea?—The winter teas are always purchased in the current season for shipment in the subsequent season. They are what were rejected as "contracts;" they were *below contract quality*, and are taken at a very reduced price.

1224. Are they invariably below?—They must be below, having been offered as contracts, and not accepted.

1225. Then are the Committee to understand, that all the tea which is not contract tea, has been rejected in the antecedent year as contract tea?—In the current year, not all; only the winter tea.

1226. But the other portions, which are not winter teas, have not been rejected?—Those which are not winter teas have not been rejected.

1227. What proportion do those which have not been rejected bear to those which have been rejected?—It is very dif-

1 Mar. 1830. — *J. F. Davis, Esq.*

ficult for me to state, because the quantity of the winter teas varies in different seasons.

1228. Can you furnish the Committee with an account, for two or three years, of the proportions of the teas?—The total investment of the Company's black teas is about 270,000 chests, of which the contracts are three-fifths. Of winter teas there are, I think, about 20,000 chests; but this varies.

1229. The winter teas being the rejected teas of the antecedent year?—Of the season antecedent to their *shipment*. They are purchased in February, and shipped in the subsequent October or November. They are rejected, not as being positively bad, but as being comparatively inferior to the high class called contract.

1230. Then the prices paid by the Company are settled according to the scale, and without reference to the market price of the day?—Yes; but they are lower than the contracts. They are settled according to the scale, subject to change and alteration. The Company has always regulated the market price of teas.

1231. When did any change take place?—The last considerable change took place in 1825, but I will not say that some denominations have not been lowered since.

1232. How is the price fixed upon this scale?—The price is fixed according to a certain classification under each denomination. There are not less than ten classes under each denomination; for instance, under the denomination of congo, there are, in fact, more than ten classes.

1233. Between what parties is it that this price is fixed?—Between the buyers and the sellers: between the Hong and the Company.

1234. Do you know whether the teas that are sent to Canada are purchased by the Company according to the same scale of price as those sent to this country?—They are not contract teas; they are of a lower description.

1235. Do they form any proportion of the shares which the Hong merchants supply by contract?—No; the whole consignment is to the amount of not more than £100,000.

1236. Those are not purchased then according to this scale of price?—They are purchased according to the price which the Company choose to affix to each quality.

1237. Are they higher or lower?—They are lower than the contracts, and of a lower quality.

1238. In proportion to the quality, are they lower than the contract teas?—I believe the price is proportioned, as well as can be, to the real value of the commodity in both cases.

1239. Can you speak positively to that?—I should say decidedly.

1240. How are the prices of woollens, which the Hong merchants take, affixed?—According to the demand. 1 Mar. 1830.

J. F. Davis, Esq.

1241. The same way as the teas?—Yes; except that the relative situation of the parties dealing becomes changed. The one become sellers, and the other buyers.

1242. But still it is a mutual agreement between the parties? —Certainly. I would add, that the last consignment of woollens to China, it is estimated, will yield a profit upon the whole, if the prices remain the same as they were by the last accounts.

1243. Supposing then, in so far as the value of woollens goes, that there were an arbitrary price put upon the woollens and upon the tea, it does not follow that we should ascertain the exact value of the teas purchased by the Company?—They must both be regulated according to the best conception that the two parties have of the supply and the demand.

1244. But they are not regulated according to the price of the day in either instance?—They must be; the market price of the day must be as much as the sellers can get, and as little as the buyers can manage to give.

1245. When the Americans entered into the trade of supplying Canton with manufactured goods, did the price of the manufactured article fall in the Canton market?—Certainly it did.

1246. Did the price of the woollens that the Company furnished to the Hong at the same time sustain a corresponding failure?—They certainly fell; the Company had to complain of a fall.

1247. To what extent?—I cannot tell exactly.

1248. Are there any minutes kept of the agreements between the Hong and the supercargoes?—They are all on the Company's records.

1249. Do you remember when the last arrangement was made between the Hong and the supercargoes, with respect to the price of woollens?—The arrangement takes place every year, with reference to the supply and the demand.

1250. Do the prices vary every year?—Certainly.

1251. But not of the teas?—Yes, I have said before that they did. There was a variation in the whole investment in the year 1825, since which time I cannot exactly speak to particulars.

1252. Are you aware that if tea was purchased in the market of Canton, for ready money for instance, it might be bought at much lower rates than those paid by the Company?—I think the evidence I heard in this room went to prove that. That what the Americans call a rich ship, that is, a ship freighted

1 Mar. 1830. — J. F. Davis, Esq.

with *dollars*, will always be more welcome to the Chinese than a ship freighted with *manufactures*.

1253. Do you know the proportion in which teas so purchased for ready money would vary from the contract prices paid for the teas, supposing the quality to be the same?—Except that it would be lower for cash, I cannot speak exactly.

1254. Do you conceive that there would be a difference, upon bohea for instance, of from 9*d.* paid by the Company to 5*d.* and a fraction paid by the Americans?—The denominations of teas can be no guide whatever with reference to the value of the teas. There is as much difference between the quality of teas of the same denomination, as there is between wine sold at a tavern and that drunk at a gentleman's table, although they are both called Sherry or Madeira.

1255. Are there no means of comparison at all between the prices paid in the market of Canton, and the contract prices of the Company's teas?—They are both in proportion to the real value of the commodity; and the contract teas are of a very high quality. I am not aware that they are bought by any but the Company in general.

1256. In the year 1825, when a different arrangement took place about price, was there a meeting between the Hong merchants generally and the supercargoes with respect to that alteration in the price?—That would be the way in which such a measure must be operated.

1257. Do you remember whether it did actually take place?—No doubt it did.

1258. Are there any minutes of it?—There are the fullest minutes of every transaction that takes place regularly sent home, in what are called 'Public Consultations,' to the India-House.

1259. Can you inform the Committee of the particulars of an arrangement entered into between the Select Committee and the supercargoes and the Hong merchants in the year 1828, not long after the failure of the security-merchant Manhop?—There are complete minutes upon the subject at the India-House; and they are of better authority than I am, for I happened from necessity to be absent from the spot at that period.

1260. Do you recollect what the substance of the agreement was; whether it was not agreed by the Hong merchants, under a penalty of 20,000 dollars or some such sum, to be paid by any Hong merchant who should, after a certain date, grant a license for the sale of any foreign imports to any other person than a Hong merchant, or to ship off any goods purchased from an outside merchant?—This arrangement among the Hong merchants took place entirely without the instigation of the Com-

mittee, or their interference. It was in consequence of this edict from the Hoppo:— 1 Mar. 1830.

J. F. Davis, Esq.

"From his Excellency the Hoppo, Wan Ta-Jin, to the Linguists Achow and others:

"It has been found out that some persons who formerly opened shops for European wares, have entered the merchants' hongs and clandestinely do business with foreigners; but foreign ships coming to Canton are restricted, in all their imports and exports, to deal with the Hong merchants. If native shopmen carry on a clandestine commerce, the law accounts it a treasonable intercourse. The severity of the law is to prevent frauds on the revenue. But the shopmen evade the law by forming connections with the Hong merchants, gradually entering and assuming a false pretence of superintending the Hong concerns, carry on their illegal shops with the foreigners, and bring up and send down cargoes in the name of the Hong. The merchants connive at it, and the linguists receive bribes to report the duties. But it is forgotten that large debts for duties are accumulated, and foreign claims increased, and the Hong merchants are eventually injured. The best way to prevent future evils is to be careful beforehand. Besides ordering Howqua and the other merchants to examine whether there be any shopmen in the Hongs or not, and forthwith to expel them instead of retaining them to carry on an illicit commerce with foreigners, and declaring that if any dare to disobey this order, on the facts being discovered, the goods will be confiscated, and the shopmen delivered over to the local government to be punished. Besides doing these things, an order is hereby issued to the linguists, requiring them to act according to the tenour of this; and hereafter should any shopman clandestinly enter the hongs and deal with the foreigners, the linguists are disallowed to report their goods at the custom-house, and are required to give information to government that the goods may be confiscated. Should the linguists openly assent to and secretly oppose this order, and as before report goods at the custom-house, the moment it is discovered they will be severely punished.—Dec. 17th. 1827."

1261. Are there not frequent proclamations or edicts by the Viceroy and by the Hoppo against smuggling of every kind?—This was a more particular one, in consequence of the successive failure of three of the Hong merchants.

1262. Are not frequent proclamations of that kind issued against smuggling and illegal transactions?—Not so frequently against what is called the "outside trade" as against the opium trade.

1263. Are not those considered matters of course, and does not smuggling go on increasing notwithstanding?—I would confine the observation to opium, because that is a contraband article which cannot pay duties. The edict quoted is quite of a different description. I have not known more than three or four since my residence in the country. I remember one in 1817, when the Company interfered *in favour* of the shopmen, and requested the government to allow them to trade to a cer-

1 Mar. 1830.

J. F. Davis, Esq.

tain extent with the ships without being subject to the interference of the Hong merchants. That application failed; and it appears that there were two hundred shops soon after shut up by order of the government. This last was without any complaint on the part of the Hong; it was a spontaneous act on the part of the government.

1264. Are the Committee to understand that the Company entered into no arrangement with the Hong merchants in consequence of that?—The Company had that year suffered very much by the abstraction from their contracts of teas of which they had always been accustomed to have the first choice; and the Committee then thought, that as they had suffered in that year's investment, it was for the interest of the Company to endeavour to maintain their accustomed advantage. The Court did not enter into these views to their full extent, and the resolution of the Committee has been altered; but they did at the moment think that it was for the interest of the Company to tell those Hong merchants, whom they suspected of conniving at the system, that if any individual of their body contributed again to the injury of the Company's investment, for the sake of a higher price, the Company would diminish their dealings with him.

1265. Did they not state to the Hong merchants that they reserved to themselves the right of depriving such Hong merchant of any share of the Company's trade, if they should again grant parcels or permit facilities to the outside merchants to deal with the Americans and other traders?—It did not extend to the general trade in articles which had always been allowed to the shopmen. It was with reference to teas more especially; with reference to matters which affected the Company's investment and the Company's interests.

1266. As regarded tea alone, did they make their intention known to the Hong merchants?—Yes; they told them that if they found their investment suffered, they should consider it their duty to show their disapprobation, by dealing less with the merchants who connived at it.

1267. Are the Committee to understand that the Chinese were themselves anxious to deal with Americans and others, and thereby abstracted a portion of the Company's trade, but that the Company's servants interfered to prevent it?—The Company's servants at that time thought it was their duty to preserve the first choice, which they had always enjoyed, of those superior teas; and they thought they could do this in no other way, than by telling the merchants that they would deal less with any individual of their body who injured the Company's interests, by contributing to the new system.

1268. In fact, they were anxious to keep up that preference which they had in the choice of the teas, notwithstanding the outside merchants wished to deal with others?—They did; but

1 Mar. 1830.

J. F. Davis, Esq.

the idea has been since given up, in consequence of the receipt of a reply from the Court, saying they thought it was better to let things take their natural course.

1269. Then, in fact, did matters revert to their old channel, notwithstanding the edict you have now read?—Certainly not, with regard to all commodities. It is still held by the Canton government to be traitorous for an outside dealer to deal in certain staple articles.

1270. Can you state any instance in which the government has acted on the spirit of that edict, and punished any outside merchant for dealing with Americans or any other foreigners? —I have not yet heard of any instance since that edict.

1271. What is the Chinese punishment for treason; what penalty would attach to that class of treason which is designated by this trade?—Treason, strictly speaking, is the highest crime that can happen under a despotism; and in China entails the highest punishment. What sort of treason dealing with foreigners is, I am not aware; but it might probably be punished by banishment for life to Tartary.

1272. Have you ever known that punishment inflicted for that offence?—Soon after the Company's interference in 1817, two hundred shopmen were taken up and punished: the least punishment, I believe, was the confiscation of their goods.

1273. At what time was that?—In the year 1817.

1274. Have you ever known such a proceeding taken at any other period?—Constantly; it has happened every two or three years since I have been in the service, that outside men have been apprehended. It is for the purpose of extorting money from them.

1275. Has it, in point of fact, interrupted the proceedings of the outside merchants?—It never can entirely. I consider the outside trade at Canton to be perfectly secure in regard to certain permitted commodities, but not in regard to the others.

1276. Have you ever heard that outside merchants have given sums of money, 5,000 or 10,000 dollars, to the Hong merchants, for their pass to cover certain exports, which legally they could not send without the Hong merchants' authority?—They have, I believe, bribed them.

1277. Has not that been of very frequent occurrence?—I believe that no outside dealer, where his business is illegal, can manage well to carry on such transactions without bribing the Hong merchants. It is a sort of tax on the outside trade.

1278. The Committee understand from you that the Hong merchants have legally a monopoly of the trade from the port of Canton?—In staples.

1279. Do you mean in the trade with Europe and India?—The Chinese do not discriminate between the places from which foreigners come.

1 Mar. 1830.

J. F. Davis, Esq.

1280. Do you recollect any articles which are excepted from that monopoly?—There is one which, I believe, is now excepted, namely, silk piece-goods; it is a trade which the Hong merchants cannot carry on, being a business of detail, fit only for the outside dealers.

1281. Did not that take place in 1828 by proclamation?—The proclamations were against free trade; but silk has been allowed to the outside dealers.

1282. Then except silk piece-goods all other articles are considered illegal, if they do not go through the Hong merchants?—Besides silk piece-goods, there are a variety of trifling things. The daily wants of a foreigner at Canton must be supplied from the shops: for instance, a man could not go and buy a pair of shoes from Howqua. There are, besides, sugar-candy, and mats, and things of that kind.

1283. Are you aware of sums of money being paid by the outside merchants to the Hoppo for the privilege of exporting?—I am not aware of that; I should say, they were paid to the Hong merchants. The Hoppo is in a situation too high to admit of bargains between him and the outside dealers. I should think the bribes were paid, in part, to the underlings of the Hoppo.

1284. Will you state what the office of the Hoppo is, and what his duties are, and the importance of them?—He is the third civil officer in rank at Canton; he ranks after the governor of the province; and he is chief commissioner of the customs. His duty is to superintend the foreign trade in general.

1285. Are you aware whether he is paid by salary or by commission?—I believe that, under that corrupt government, he receives very little positive salary, and is allowed principally to pay himself. Most of the situations connected with foreign trade are sold to the best bidder, who remunerates himself as he can.

1286. Have you not heard that that is principally done by conniving at evasions of the revenue?—I believe that it is to a considerable extent, and by sums that he wrings from the Hong merchants; in every way, in fact, that he can obtain money.

1287. Are the Committee to understand that there is a disposition, on the part of the Chinese outside merchants, to deal with foreigners, but that the Hong, by the privileges which they possess, restrain them?—I should say, that there is necessarily a disposition, on the part of the outside dealers, to participate in the lucrative trade with foreigners, but that both the government and the Hong merchants are, from interest, opposed to it; the government, because they are more secure of their revenues if they come regularly; and the Hong merchants, naturally with that self-love which leads every man to do the best for him self and the body to which he belongs.

1288. But you say that the government have relaxed in some of the regulations in favour of the outside merchants?—I believe that in one article they have, either by positive connivance or by positive enactment, allowed the silk trade to the outside dealers.

1289. Was there any written contract, on the occasion that has been mentioned, between the supercargoes and the Hong merchants?—I believe that it was, just in so many words, addressed to those Hong merchants whom they suspected of having assisted in depriving them of their accustomed choice of teas, that they would show their displeasure towards any Hong merchants who contributed to it, by dealing less with them than with the others.

1290. Have you any knowledge of a letter addressed by the American agent to the chief of the Select Committee, remonstrating against such part of the arrangement in question as involved his interest as an American?—Some of the Americans (for all of them would not sign these petitions to the government) had endeavoured to bring the British into odium with the Chinese. I think on the Company's records there is copy of an address of theirs, saying that the British had set themselves up in opposition to the Emperor—a charge of the most injurious cast in such a country as China; and we at that moment felt that we owed so little to the Americans, and particularly to this individual, that we returned a very short answer. He wanted us to assist him on some occasion, and we returned him a very laconic answer, from the feeling that we owed him very little.

1291. Is that letter and that answer on record?—I think they both are on record. This petition had not been signed by all the Americans.

1292. Are you aware whether the American merchants at Canton, on finding that their trade with the outside merchants was put an end to by the arrangement made between the supercargoes and the Hong, held a meeting and resolved to petition the Viceroy against such proceeding?—I believe that those individuals of the Americans who had signed this previous petition, did repeat their application through the medium of the Hong merchants.

1293. Have you ever seen a copy or translation of that petition sent in by the Americans?—I saw some five or six of them; but with regard to that particular one, I cannot say.

1294. Did not one of these petitions to the Viceroy charge the agents of the East-India Company directly with having originated the arrangement which the Americans considered so prejudical to their interest?—If they did make that assertion, the records will show that it was incorrect.

1295. According to your recollection, was that the allegation in their petition?—It might have been their allegation; but if it was so, I must deny the truth of it.

1 Mar. 1830.

J. F. Davis, Esq.

1296. Are you aware whether any answer was sent to that petition from the Chinese authorities?—Yes; but the tenour of it I cannot speak to. There was so much correspondence that I cannot speak positively to any individual document.

1297. Have you ever seen the answer of the government to the American application?—I dare say I did, but its exact tenour I cannot charge my memory with.

1298. Do you recollect whether that proclamation for the first time legalized the transactions of foreigners with outside merchants?—I should say that there is no material difference at this moment with regard to the real state of the trade, except in the article of silk piece-goods. I have heard, though I cannot speak positively from my own recollection, as it did not concern us, that manufactured silk has been added to the other things that were before allowed to the outside dealers.

1299. Did it not, to the best of your recollection, as regarded the export of manufactured silks, and the import of all cotton manufactures, legalize the trade with the outside dealers?—Yes, I think it did; it admitted those things to the list which before existed of the trade permitted to the outside dealers.

1300. Will you have the goodness to read, from the Canton Register of the 2d of August 1828, a statement therein contained of a proclamation concerning the trade carried on by shopmen, dated July 14th, 1828.

[*The witness read the same, as follows:*]

"Proclamation concerning the Trade carried on by Shopmen; dated, July 14th 1828.

"Le, governor of Canton, &c. &c. with Yen, commissioner of customs at the port of Canton, hereby make known regulations agreed upon for carrying on commerce between native shopmen and foreign merchants of all nations, and require obedience to the same.

"The treasurer and judge of Canton having received orders to meet and deliberate on the subject, reported to me, the governor, as follows:

"'We being commanded to meet and deliberate on regulations for the trade between native shopmen and foreign merchants, ordered the Kwongchowfoo to unite with the Nanhae and Pwangu magistrates, and examine the old records on the subject, then consult and state their opinion. They did so, and laid the result before us, when we came to the following resolutions:

"'Foreign merchants of all nations coming to Canton were formerly restricted, in their dealings with shopmen, to leather shoes, china-ware, &c. eight articles. Exclusive of these, all imports and exports were confined to the Hong merchants, who were made responsible for the duties, to prevent smuggling and such nefarious proceedings. The linguists were appointed solely for interpreting, and were not responsible for trade. It is proper to keep them on the old footing, in conformity with existing laws.

"'But the Hong merchants have now represented, that the Americans are desirous to be allowed to trade either with shopmen or Hong

merchants, as they please, whether for great or small commodities. And of late, foreign ships in greater numbers have come to Canton, in which are a great many trading skippers, for whom the eight articles to which they were restricted are insufficient. The circumstances of present and former times are different. That on deliberation, they would make out a list of the *larger articles* of import and export cargo to be confined to the *Hong merchants*, and earnestly soliciting a change of the law, which would be showing compassion to the remote foreigners, and be beneficial at home. This was their motive.

1 Mar. 1830.

J. F. Davis, Esq.

"'We (the treasurer and judge) commanded the officers before named to examine into the subject and report, which they did. It is proper for us now to state the result; which is, that a list be made out of exports, *tea*, *raw silk*, &c. 24 articles; and of imports, *woollens*, *camlets*, &c. 53 articles; all of which large commodities the *shopmen* shall be *prohibited* from dealing in.

"'All other goods not inserted in the list, whether exports or imports, coarse or other commodities, miscellaneous articles and eatables, shall be left free to the foreign merchants to deal with shopmen, and shall be shipped off by Hong merchants, who are to be responsible for the *duties*. As to worked silks, since they are not brought from Soochow or Hongchow, but woven from time to time by natives of *Canton* when applied for by the foreign merchants, and since the *Hong merchants* say that this practice is expedient, both for foreigners and natives, it is right to grant their request [to leave silks free].

"'All coarse and miscellaneous articles not inserted in the list are free to the foreign merchant who now chooses to deal with shopmen. But hereafter, if the shopmen incur debts, the *Mandarin merchants* shall *not* be implicated. The foreign merchant must, in all such cases, be *left to himself* to clear his account.

"'With respect to shopmen dealing with foreigners, it is inexpedient to leave them without some one to inspect their conduct. We (the treasurer and judge) request that it may be made the duty of the Hong merchants and linguists to examine from time to time, and should there be any smuggling, the Hong merchants shall be responsible, and the linguists brought up and punished. This change seems required by the times; and since the foreigners will be compassionated, the merchants accommodated, and the *responsibility fixed*, there will be *no loss to the revenue*, nor any obstacle from the laws.

"'Having received orders to examine and consult, we now submit whether these suggestions be right or not, and wait for instructions to promulgate them. We moreover request that a communication may be made to the Hoppo to examine and conform.'

"These statements have come before me, the governor; and as the deliberations are completed, I direct, in accordance with the above suggestions, a list to be made out of exports—tea, raw silk, &c. 24 articles. [Here he quotes, *verbatim*, the preceding paragraphs, and desires the Hoppo to issue a proclamation in their united names to the Hong merchants, to communicate the orders of government to the foreigners of all nations, and to the native shopmen, that one and all of them may yield obedience to the same.]

"Thus the affair comes before me, the Hoppo; and I hereby issue, in the name of the governor and Hoppo, the following orders. [Here he repeats, *verbatim*, the preceding, and then adds]

"Let merchants, foreigners, linguists and shopmen, all be hereby fully informed, that hereafter they are required implicitly to obey the

1 Mar. 1830.

J. F. Davis, Esq.

preceding regulations, to examine and conform their dealings to the list of exports and imports hereto annexed. Hong merchants alone are allowed to trade in the articles therein mentioned. Shopmen are not permitted to have any secret intercourse with foreigners.

"Of the wrought silks, each shop is to be limited to 8,000 catties. The said shopmen are permitted to deal with foreigners only in miscellaneous articles not in the great articles of commerce.

"The foreign merchant, in dealing with shopmen, has been required to give in a list, through the linguist, whose ears and eyes were near and can easily investigate. Hereafter, in reporting goods to be shipped off, he must distinguish clearly which belong to Hong merchants and which to shopmen. It is made the duty of the linguist to discriminate according to law, ere a permit be given. He is not allowed to confuse these things; if he do, he will be severely punished.

"The linguists are besides ordered to make out a list of all the foreign goods shops, and whether the owners be substantial good people, and cause them forthwith to present to government associated names for security, to be preserved on record.

"As to any debts that may hereafter be contracted by the shopmen, the *foreigners themselves* must manage the affair.

"It is incumbent on the Hong merchants and linguists to examine and report on what is going on. If they presume to conceal what they know, and any clandestine proceeding be educed, they will be severely prosecuted. Positively the governor's and Hoppo's words once gone forth, the law will follow. Positively no indulgence will be shown. Let every one implicitly obey. Oppose not this special edict.

"List of the 24 Articles of Export (confined to the Hongs).

"1. All sorts of teas. 2. Raw silk from Oakwong. 3. Silk prepared for weaving. 4. Canton raw silk. 5. All sorts of cloth. 6. Native cassia. 7. Cassia buds. 8. Sugar-candy. 9. Sugar. 10. Tutenague. 11. Alum. 12. Cloves. 13. Nutmeg (or mace). 14. Quicksilver. 15. China camphor. 16. Rhubarb. 17. Galangal. 18. China root. 19. Vermilion. 20. Gamboge. 21. Damar. 22. Star aniseed. 23. Pearl shells. 24. Cochineal.

"List of the 53 Articles of Import.

"1. Worleys. 2. Dutch camlets. 3. Camlets. 4. Long-ells. 5. Broad-cloths. 6. Cuttings of cloth. 7. Sorts of camlets. 8. Florentines. 9. Ginseng. 10. Sandal-wood. 11. Birds'-nests. 12. Cloves. 13. Nutmegs. 14. Putchuck. 15. Olibanum. 16. Malay camphor. 17. Elephant's teeth. 18. Pepper. 19. Foreign tin. 20. Ditto lead. 21. Ditto copper. 22. Ditto steel. 23. Cotton. 24. Rattans. 25. Betel-nut. 26. Smalts. 27. Prussian blue. 28. Bicho do Mar. 29. Fish maws. 30. Sharks' fins. 31. Materials for glass. 32. Ebony. 33. Sapan-wood. 34. Cochineal. 35. Gum kine. 36. Myrrh. 37. Physic. 38. Assafœtida. 39. Physic oil. 40. Quicksilver. 41. Foreign iron. 42. Wax. 43. Cutch. 44. Pearl shells. 45. Sago. 46. Undressed nests. 47. 48. Flints. 49. Borax. 50. Amber. 51. Gold and silver thread. 52. All sorts of skins. 53. Mace.

1301. Does it appear by that proclamation through what authority the American petition was presented?—It could only be presented through the medium, and in the words, of the Hong merchants. The question resolves itself into the respective privileges which Americans and English possess at

Canton; and in order to show that the Company have *not* been hostile to the Americans, I may state that I myself interfered, with the sanction of our Committee, in favour of an American named *Ammidon*, in 1825, and availed myself of the knowledge I had of the Chinese language to write a petition for him to the authorities, complaining of the conduct of the Hong merchants. That petition was sent back unopened to the American, with a message to say, that no American could communicate directly in the native language with the government. The individual's grievance remains to this day unredressed.

1302. Do not the Chinese government in that proclamation state that circumstances are changed, and that it is necessary for them to make alteration in their commercial regulations as regarded the outside merchants?—It says that the *eight articles* are insufficient, and that therefore it is necessary to enlarge it by the addition of the articles stated, principally of silk manufactures.

1303. Is it stated there that the Hong merchants shall have the privilege of dealing only in a certain number of staple articles?—It does not *prohibit* them from dealing in *other* articles: it says, that they shall have the exclusive right of dealing in staple articles.

1304. Are you aware that there is a list of "enumerated articles," which none but British ships can import into England?—There is, I believe, a regulation of that kind.

1305. With reference to the estimation in which the English are held at Canton, have you ever seen or heard of placards in the Chinese language being posted up on the European factories, accusing the English of being the means of interrupting trade between foreigners and the outside merchants?—I believe there are placards put up by the Chinese occasionally against all foreigners, containing charges of a much more serious description than that; but I have not heard of those particular placards to which the question refers. Lampooning is very common in that country. They even placard the officers of their own government.

1306. Have you known of any placards complaining of the interference of the East-India Company?—No; placards containing abuse of all foreigners I have heard of frequently, but not of the particular placard alluded to.

1307. Are you aware whether that proclamation has been acted upon in regard to permitting the outside merchants to deal with foreigners?—I believe that the outside trade is now very much in the same state that it has always been at Canton. It was legalized, with regard to certain articles, before, and to *that* list some commodities nave been since *added*.

1308. In your former evidence you stated that the Chinese are decidedly an anti-commercial people; will you state any

1 Mar. 1830. — J. F. Davis, Esq.

individual instance in which the Chinese have refused intercourse with foreigners?—They have excluded us from several ports to which we formerly had access. They have excluded the Russians from Canton.

1309. Do you recollect the date when we were excluded?—Not exactly; but it was about the end of the seventeenth century, in consequence of the conquest of the Tartars. The Tartars became masters of China, and were, I suppose, more jealous than the former government, and accordingly excluded us from Amoy.

1310. Have you ever heard that the Europeans excluded themselves from those ports to avoid the exactions made by the Chinese authorities?—No: I believe they were positively excluded by an act of the government; I believe they would not be admitted there now. I have seen edicts from the government, saying that foreign trade must be confined to Canton.

1311. Have you any idea of what the extent of the tea trade to England was at that time?—It was very inconsiderable, compared with our present trade.

1312. Are the Committee then to understand that the tea trade to England, now so large, has grown up since Europeans were excluded from Amoy?--Certainly.

1313. Is not that new trade beneficial to the people of China?—It would be more beneficial (because I conceive it would be larger) if it were nearer to the centre of the empire. That very great accession to the prices of tea, which arises from the long land-carriage, would be avoided, if the trade were nearer the tea provinces.

1314. Must not so large a trade be beneficial to the country?—It cannot but be beneficial, as far as it goes.

1315. If the trade is beneficial, on what grounds do you suppose the government to be decidedly hostile to increase that trade?—Because it is decidedly hostile to foreign intercourse. The institutions of the country are built on the maxims of their great philosoper, Confucius; and it was a leading precept of his to avoid intercourse with foreigners—"to despise foreign commodities;" those are his words. The sacred books of the Chinese are different from the sacred books of most other countries; they are not so much religious books, as treatises on ethics and on government; and as long as the Chinese venerate those books, so long will the institutions built upon those books remain more or less unchanged.

1316. Does the veneration of the Chinese, whatever may be its appearance practically, prevent them from carrying on a foreign trade?—Principles of government that are absolutely preposterous in themselves, and contrary to the dispositions of human nature, must in fact render themselves futile to a certain extent; and to that extent the foreign trade prevails in China.

1 Mar. 1830.

J. F. Davis, Esq.

1317. Are you aware that the port charges on vessels going to Amoy are much higher than those on vessels trading to Canton, even taking the Chinese junks?—I should think there is no difference between native vessels; all the extortion and the tyranny is chiefly in regard to foreigners.

1318. If it should be the fact that the port charges at Amoy for Chinese junks are higher than the port charges at Canton, might not that in some measure account for the cessation of trade to that port?—I really cannot speak to the difference of charges on native vessels.

1319. Can you speak as to the difference of charge which may exist at Amoy and at Canton with respect to foreign vessels?—I can only speak from the trade at Amoy having been abandoned by foreign vessels in consequence of those charges; but they were not so much charges recognized by any law of the country, as individual acts of extortion on the part of the Mandarins.

1320. When you talk of the exorbitancy of the charges, do you mean any excess of charge at Amoy as compared with Canton?—I should judge, from the result, that were higher at Amoy.

1321. Were not the Spaniards the only nation that had the privilege of trading to Amoy?—All foreigners possessed that right formerly.

1322. Did not the Spaniards continue to have that right later than any other nation?—They had the nominal privilege; but that was rendered nugatory by the obstacles they experienced.

1323. How lately have they abandoned it?—Within the last twenty years one attempt was made, which proved unsuccessful. I should say, that all the ports of China are virtually as completely shut to Europeans as the ports of Japan, with the exception of the Dutch.

1324. Do you conceive the port of Amoy to be shut to all British vessels?—Certainly.

1325. As the trading intercourse in China of European subjects has increased, does it not show that the anti-commercial spirit is somewhat diminished?—I should say, that it was the operation of the interests of individuals against a preposterous policy.

1326. Does not that interest answer the same end?—It must be checked, to a certain extent, by the spirit and conduct of of the government. The trade would be infinitely greater, if we had access to several ports of the empire.

1327. You have stated that the Chinese government are aware of the advantage of the great trade with Canton?—I cannot say that they ever *expressed* themselves so, but very much much the reverse: it may be *inferred* that they value it, to the extent of the revenue which they derive from it, and which is

1 Mar. 1830.

J. F. Davis, Esq.

very inconsiderable in proportion to the revenues of the empire. They would value it less, as they lost this revenue by the growth of smuggling.

1328. What is the amount of revenue remitted annually by the Hong?—I have heard it stated at 2,000,000 of tales; but that is a trifling sum.

1329. Is not that about £650,000 a year?—It is.

1330. Does not that amount include the port charges of the port of Canton?—I should think it does; that, on whatever grounds it is calculated, it includes every source of profit to the government.

1331. Are there any local charges upon the trade at Canton, independently of the government duties?—I should think that the heaviest charge on the foreign trade at Canton was in the shape of extortion; much heavier than what finds its way to the coffers of the Emperor.

1332. Independently of extortion, is there any portion of the charges upon the trade which is locally appropriated at Canton?—There is a charge called the consoo charge, for the benefit of the corporation of Hong merchants.

1333. Have you ever seen in the Canton Register, that the Hoppo, or treasurer of the place, is stated to have remitted annually to Pekin between 1,900,000 and 2,000,000 of tales?—I may have seen it, but I should not found an opinion on any thing that I saw in the Canton Register: it is not a work of sufficient authority.

1334. Are you aware whether the revenue remitted is merely the revenue on imports, or does it comprise the transit duties also?—It must include the revenue of exports also; for the Chinese charge a tax of 3*d.* a pound on the shipment of teas at Canton.

1335. Are you aware whether the Chinese levy at Canton any duties in kind?—I am not aware of any such duties at present. There are a few clocks and watches, and such things, which are annually sent up to the Emperor.

1336. Are you not aware that the port charges go to the Hoppo, as his private perquisite?—No; there is a proportion of about one-half which goes to the Hoppo: the other ought to find its way to the Emperor.

1337. In your former evidence you stated that the government of China is as independent of foreign trade as that of any country in the world: how do you reconcile that with the statement afterwards given, that in 1814, when the English supercargoes suspended the foreign trade for six months, the government were so much affected, that they yielded to the terms dictated by the East-India Company?—I do not think that goes to contradict my former assertion, "that it is as in-

dependent as any government in the world," though it *was* thought proper in that case, by the local authorities of Canton, to continue this trade with foreigners. The English were (at that moment of war) the *only* traders at Canton; and if *they* had been excluded all trade must have ceased.

1338. Have you ever heard what proportion of the population are maintained in growing teas?—I cannot speak to that. We do not know what their whole population is, nor, accordingly, any fractional part of it; our sources of information are so unsatisfactory. Even their own books seem most contradictory, and to be founded on no grounds that can be relied on.

1339. Do you mean to say that the Chinese government, so long established, have no statistical tables or estimates, accessible to foreigners, of the population of different districts?—I have seen one of those accounts, in which the population is made to be about 250,000,000; but I do not attach a great deal of faith to the correctness of it.

1340. Are you to be understood to state, that the provinces of Fokien and Kiangnan are principally employed in rearing tea?—Fokien, Kiangnan, Tchekiang, and Kiangsee.

1341. From what you have seen of China, is not it very difficult for the lower classes to live? Is not there a great competition for labour?—I do not think there is much more abject, miserable poverty there, than in many other countries of the world: I am sorry to say, than in our own: I mean in proportion to the population.

1342. Are not wages low in China generally?—Wages are low, but the wants of the people are rendered comparatively few by the superiority of their climate: they are more independent of clothing, and lodging, and fire, than the inhabitants of colder countries.

1343. Has it not come to your knowledge, that there have been frequent rebellions and disturbances in different provinces in China?—From famines.

1344. What would be the effect, in your opinion, on a dense population like that of China, if the foreign trade, admitted by the statements to be so large, was suspended. Would it not add very much to the distress existing there?—It might to the local distress of Canton, but I do not think it would be felt out of the province of Canton; except, perhaps, in the tea districts.

1345. Are not those tea districts extensive, and their population numerous?—They must be large, judging from the quantity of tea which we export, and which is known.

1346. Do you not consider that very serious evils affecting the government would arise if their foreign trade was put an end to?—I am not aware that any evils arose in those ports from which we have been already excluded.

1347. Do not you conceive that there was a proportionate

1 Mar. 1830.

J. F. Davis, Esq.

increase of export from Canton, when the exclusion of foreign trade took place in other ports?—Yes; but I spoke with reference to the *local* evils: not the general effect upon the empire, but the local evils suffered at those points from which the foreign trade was abstracted.

1348. If the produce of those ports found its way to Canton, would not the local inconvenience be limited to the inconvenience which might be sustained at the other ports?—The local inconvenience would be local to those places from which it was taken.

1349. Are you not aware that the tea province of Kiangnan is by far the largest and most populous province in China?—It was so long before the foreign trade ever reached China; it is a matter of ancient history that it always has been so.

1350. Has not the old tea trade, as an export, grown up since the time when it was excluded from the other ports, and must not circumstances be very much changed since that time?—That is a matter upon which I cannot speak from positive knowledge. The export of tea has grown up since that time; but in what proportion it has added to the population of those provinces, I cannot state.

1351. You are aware that the trade of 50,000,000 or 60,000,000 of people in Bengal is confined to the port of Calcutta. Would not the closing of the trade of Calcutta affect the general prosperity of the country?—I should think that, as we are masters of the country, our imports into India spread more uniformly over those dominions than they do in China, where they are restricted to Canton. It has been estimated that barely one-ninth of our imports is consumed in the north of China, on account of the distance.

1352. The question refers to *exports* from China?—I am persuaded that the inconvenience would be chiefly local. The influence of foreign trade does not extend very far inland from Canton. I have had reason to form that opinion from what we saw in the embassy.

1353. What is the population of Canton by the nearest estimate you have heard?—There are no sources from which I can give correct information.

1354. Have you never heard that the population living actually in boats on the Canton river amount to nearly 1,000,000 of people?—I can only say I do not believe one word of that assertion; it is an outrageous estimate. Forming an opinion from what one sees, I should compare it with the river at London, and should say it was not any thing like so much.

1355. What do you suppose the populotion to be of the city of Canton and the suburbs?—I should think it cannot be a fourth or a fifth of that of London.

1356. Do you mean that, according to the best estimate you

can form, the number of persons living by occupations on the river at Canton is not greater than it is upon the river Thames?—That it is not so great as the number upon the river Thames at London; I mean the floating population in boats, and ships, and barges.

1357. Do not the rivers and canals of China afford great facilities in carrying on the trade to and from Canton; and are not the individuals so employed as industrious and enterprizing as men can be?—With all that has been done, the facilities are in a very inferior state to what they might be. The river which brings the teas to Canton from the frontier of the province, where it has to cross a high mountain, is a mere trout-stream for a great proportion of the way; and foreigners of all descriptions have been obliged to wait at Canton for months on account of there not being enough water in that river to float the vessels that bring the teas.

1358. Would you consider those individuals who carry on that communication more commercial than the population of Bengal?—The Chinese, if left by their rulers to themselves, would perhaps be the most industrious and commercial people in the world.

1359. Are they not, so far as you know, the most commercial people in the whole of the East?—Except the Arabs, perhaps; they do not navigate so far as the Arabs do.

1360. Will you have the goodness to explain how you reconcile what you have just stated with the answer you gave in your first examination, that the character of the Chinese was that of a decidedly anti-commercial people?—I am speaking now with reference to their *internal* commerce, the very circumstance which makes them so independent of *external* or *foreign* commerce. In my former answer, I was speaking of foreign commerce.

1361. Can you form any estimate of the quantity of tea retained for home consumption in China, as compared with the quantity exported?—No; it must bear a certain proportion to the population; but the quantity of tea consumed by the Chinese generally is very small. They economize the use of it wonderfully. An ordinary Chinese puts his tea leaves into the tea-pot in the morning, and they last him through the day. The drink is kept warm by a contrivance which forms a stratum of non-conducting air between the two vessels that contain it.

1362. Is there no means of forming an idea of what is the proportion which is exported as compared with that which is retained?—The proportion could only be ascertained by positive information as to the whole quantity produced; but that information has never been obtained.

1363. Have you no information, however general or however rough?—None whatever, as to the quantity that is produced; assertion is very easy, but proof is not equally so.

1 Mar. 1830.

J. F. Davis, Esq.

1364. Are you aware that the English and Americans have exported exceeding 40,000,000 of pounds of tea?—The Company have exported about 30,000,000, and the Americans about 8,000,000 by the last account.

1365. Taking the rest of Europe, is it not altogether within 40,000,000?—The consumption of Russia is stated at about 5,000,000, the consumption of the continent of Europe is not quite 5,000,000, and the consumption of the whole civilized world, besides England, is about 22,000,000, while the consumption of England is about 30,000,000.

1366. Have you ever heard any estimate of what quantity is used for internal consumption in China?—I have never heard any information on the subject that I can rely upon.

1367. Is the tea exported to Russia raised in the southern provinces from which we obtain our tea?—It is, I believe, raised in the northern part of the empire.

1368. Do you know where?—I am not very certain as to the locality. It is a different species of tea from what we use, and that is the best proof of the difference of the locality.

1369. Is there any quantity grown in the western provinces?—Not in the western. It is grown on the line of sea-coast on the eastern side.

1370. Are you aware that when tea has been exported and turns out bad, if the chest is returned two are given for one?—That may have happened in individual cases, and in the instance of the merchant Howqua, who is known for his liberality and his wealth; but I doubt it altogether as a general fact.

1371. Is it not a general thing on the part of the Company?—It is a different operation in the case of the Company; the Company debit the merchants in their books. As an insulated act of voluntary and spontaneous generosity, it may be intelligible on the part of a rich Hong merchant like Howqua; but the Company could hardly venture to do such a thing on their own part as to exact double the amount of all losses.

1372. Have you heard of the Hong merchants doing that to the Americans and private traders?—I have heard of cases in which Hong merchants have refused to make *any* remuneration: it has always been an act of spontaneous good feeling on the part of the Hong merchant that did it.

1373. Are you not aware of instances where that has been done?—I am aware of a great number of instances where it has been *declined.*

1374. Can you state any instance?—I know an instance in which a Hong merchant made it part of his stipulation that he should not be obliged to make good the loss of the tea that was returned.

1375. From such stipulation would you not infer that the

contrary practice had been the general rule? – All my information goes to prove, that it has *not* been the general rule; that most of the individuals that have been applied to have refused, and that the generality of the rule has been in the other direction.

1 Mar. 1830.

J. F. Davis, Esq.

1376. On what ground, then, do you suppose that previous stipulation could have been made?—It was a mode which that individual adopted to save himself from unpleasant applications, which he was determined to refuse.

1377. You have stated you consider the heavy duties on foreign manufacture as a proof that the people are anti-commercial, and wish to check the trade with foreigners?—It is partly a proof of that, and partly a proof of the greediness of the Chinese government.

1378. Can you state the highest rate of duty laid on any manufacture?—I cannot call the highest rate to mind at this moment.

1379. That is one of the reasons why you consider the Chinese government averse to foreign trade?—It is *one* of the reasons.

1380. If you were shown that England lays twice as much duty on foreign manufactures, would you conclude that England is an anti-commercial country?—The fact would go generally, and in the abstract, to sanction the inference.

1381. You have stated that the Company derive great advantage from their superior class of shipping; are you aware of the disadvantage the Company have in regard to the rate of freight?—That is the price which they pay for the advantages.

1382. Are you aware that the Company are paying from £26 to £27 per ton, whilst tea can be imported for £9 or £10 per ton in other ships?—I believe that the average payment for tonnage, on the part of the Company, is not so high as that stated in the question.

1383. Are you aware what the average freight at present is in the Company's regular ships?—I know it has fallen 50 per cent. since the war; but I cannot speak to the present amount.

1384. Are you aware what the difference of freight to the Company would be on the 28,000 tons, beyond what any other individuals could bring the tea to England for?—I cannot answer that exactly. If it was deemed advisable, I consider an act of the Legislature might oblige the Company to go into the market for their tonnage like other merchants.

1385. You have stated as another advantage of the Company's large ships, that they are better adapted for the stowage of teas; can you state, of your own knowledge, whether a 500 ton ship, carrying tea to Canada, or bringing tea to England, has brought the tea in a worse condition than that which is brought in the larger ships?—The standard of teas that we send to the

1 Mar. 1830.

J. F. Davis, Esq.

North American colonies is inferior to the standard imported into Great Britain. I can speak to the fact of one ship, the Barkworth, having delivered her cargo in a most deplorable condition, and entailing most serious loss.

1386. Can you state the circumstances of that case? It arose from her general condition as a ship. I believe that in most cases the cargoes are turned out in a worse condition from ships of that description than from the Company's regular ships.

1387. You know that a small ship does not carry so much in proportion as a large ship?—I am aware of that from personal knowledge.

1388. Since you have been at Canton, have not the country traders had some very large ships, of 1000 or 1200 tons?—Not of that last capacity. I have heard of their having a few large ships lately: but the American ton is less than ours.

1389. Are you aware that practically, as their old ships wear out in India, they are gradually introducing a smaller class of ships, more approaching the American ships, for the whole of the country trade?—I am not aware of that.

1390. Are you aware that the ships that now visit China from India are smaller than they used to be?—I am not aware of that.

1391. Besides the tea which comes from the two provinces which chiefly supply Canton, is there not also tea grown in many other parts of the empire?—I believe it is a product which is dependent very much on soil and climate, and that for that reason it is principally confined to the provinces which have been mentioned.

1392. When you tasted the tea at Pekin, did that appear to you to be of the same kind as the tea brought to Canton?—It was generally rather different.

1393. Do you apprehend that it came from the same provinces?—I have understood that tea is grown in one of the north-western provinces, towards the great wall.

1394. But in no other part of the empire to any great extent?—Not to any great extent.

1395. Not even for home-consumption?—To a certain extent; there is a coarse tea grown for the use of the population throughout the empire.

1396. Have you ever had specimens of those teas brought down to Canton?—Yes; I have seen specimens, which I was informed were of that coarse description, and which were of a very inferior character.

1397. You stated that you thought that the tea you tasted at Pekin was different from what you got at Canton; did it appear to you to be of a higher and finer flavour, or otherwise?—It did not suit our taste: we thought it generally inferior.

1 Mar. 1830.

J. F. Davis, Esq.

1398. Did you understand what district that came from?—It is thirteen years ago; and if I inquired I have forgotten it.

1399. What do you apprehend to be about the annual consumption of a Chinese family of six persons in tea?—It is an extremely small quantity, on account of the economizing way in which they use it; not nearly so much as is consumed by a middling family in England, because we use it in a more prodigal manner.

1400. Do you apprehend that the population of every part of the empire use tea?—I believe almost universally.

1401. Do you apprehend that the produce of the two provinces which you have mentioned is circulated to every part of the empire?—I should think not, on account of the high duties on transit.

1402. Then a very large part of the population are supplied through the growth of their own neighbourhood?—Of the lower population, of those who cannot afford to pay such a price as arises from distant carriage.

1403. Are the finer teas circulated from the provinces where they are grown to the distant parts of the empire?—I have no doubt that any portion of the population that can *afford* to pay for the best tea, *will* pay for the best, wherever it comes from.

1404. Could you learn whether there was any considerable internal trade in tea carried on?—The mere trade in the transportation of tea, that we give rise to, is very considerable; but I cannot speak very certainly with regard to internal matters connected with China.

1405. You state that you think the tea consumed by the Chinese is proportionably small, from their using the leaves over and over again; do they not use it at all times of the day?—They use it very generally as a drink; they never drink plain water, I believe, if they can help it.

1406. Is it not their habit to be continually drinking it?—They drink a good deal of wine at their convivial meetings, and the tea is only introduced as it is among us, at the end.

1407. Is it not the habit of those who have leisure to be sipping tea at almost all hours of the day?—It is the general beverage of the country; in fact, water slightly tinged with tea, I should call it. I speak of the common people. It is used at all hours of the day: there is a vessel which stands in the principal apartment of the house, and which is available to all the inmates.

1408. Do you not apprehend from that, that the consumption of a family must be very considerable, however weak it is, if it is carried on at all times of the day by all the members of it?—I know that the quantity they use is extremely small. Their figurative expression for 'poverty' is 'weak tea and insipid

1 Mar. 1830.

J. F. Davis, Esq.

rice,' which means, that they have nothing to add to their rice, and that they cannot afford to drink their tea strong.

1409. Do you know what the success of the tea-plant of the Brazils has been?—An utter failure, I have understood.

1410. In the passage of the embassy from Pekin to Canton, do you consider that it passed through all the principal tea countries?—We did not pass through Fokien or Tchekiang.

1411. In those provinces was the culture of tea very universal?—It was extremely partial where we passed; so much so, that it was rather an event in the embassy to come across a tea plantation. The provinces through which we passed are less devoted to the growth of tea than those provinces, Fokien and Tchekiang, through which we did not pass

1412. Could any trader in the country, in your opinion, obtain tea upon better terms than the Company?—Certainly not; it arises from the pre-election or first choice which the large capital and regular trade of the Company has always hitherto secured them.

1413. You have spoken of the anti-commercial spirit which exists in China; is that the spirit of the government, or of the people?—It is the spirit of the government, founded upon those books which are the basis of their political institutions.

1414. It has been stated to the Committee, that the losses sustained by fire by American merchants at Canton have been made up to the persons suffering; do you know in what manner they were made good, or out of what fund?—If they were made good at all, it was in a very few partial and individual instances, of which I never heard, and at the expense of the Consoo. I believe that the whole benevolence of the Chinese government on the occasion evaporated in a few pompous sentences; and I know of many persons who sustained severe loss without any relief.

1415. Could any European nation, in your opinion, export tea from Canton to Europe at a lower rate of freight than is paid by the East-India Company, or on lower terms generally?—I believe the evidence has gone to show that. I am not aware of the freight paid by the Dutch; but I believe the superior class of shipping employed by the Company entails on them a higher rate of freight.

1416. Are you of opinion that the East-India Company could obtain teas at a cheaper rate, if they paid for them in dollars instead of woollens and other British manufactures, and be thereby enabled to afford a supply of teas in England at a cheaper rate?—Certainly; the Chinese would sell tea cheaper for dollars to us, for the same reason that they do to Americans.

1417. Have the East-India Company imported any furs into China?—Yes, they have.

1 Mar. 1830.

J. F. Davis, Esq.

1418. To what extent?—To a considerable extent, in some seasons.

1419. Have the Americans imported furs?—They have also imported furs.

1420. To a large extent?—To a considerable extent, which will appear in the Report on the table of the Committee.

1421. Is it generally supposed at Canton that tea deteriorates very much in keeping?—I have heard some Chinese say that it is *better* for keeping, if properly stopped up.

1422. Is there any difference in price between fresh and old teas?—The Company pay less for the old teas that they purchase thanfor the new. I cannot speak so certainly as to Americans. The Company pay less, for this reason, that they are the teas which were rejected as not of contract quality, and therefore, being taken as inferior teas, of course a less price is paid for them.

1423. Is there any considerable quantity of ginseng imported by the Company to Canton?—It is exclusively the produce of some districts in North America, and introduced by the Americans, but held by the Chinese at a very low estimation, compared with what they themselves procure in Tartary, and which is a monopoly of the Emperor.

1424. Is there any ginseng grown in any of the territories belonging to the Company?—I am not aware of it; it is a wild plant.

1425. You stated it as an advantage belonging to the large ships employed by the Company, that none of them have been lost; and you stated that the risk of insurance was as nothing to 400; are you aware whether any of the large ships have been lost by shipwreck and fire during the last ten years?—I confine my assertion to homeward-bound ships.

1426. Do you know any instance where an American ship homeward-bound was lost during that time?—Not to my knowledge.

1427. You have stated that the Company's ships are independent almost of convoy in time of war; did you ever know a fleet leave Canton without a convoy in time of war?—My assertion was given comparatively; that if they had been a different class of shipping class of shipping, they would have required a *larger* convoy.

1428. Are you aware whether it was known at the time Commodore Dance left Canton that war had been declared, or not?—I have heard there was a small frigate with them; but it occurred before I entered the service.

1429. Are you aware that there was an officer of the navy on board Commodore Dance's ship at the time that action took place, and that he was supposed to have contributed so much to the defence that the India Company made him a present of

1 Mar. 1830.

J. F. Davis, Esq.

£500 and a sword?—He could not have contributed to it by supplying the guns and the men with which the ships were provided; he might have contributed merely by his advice, in directing those capabilities which the ships already possessed; but I am not aware as to the fact referred to.

1430. Are you aware what number of hands navigate a Company's ship for every 100 tons, and what number navigate, in ordinary circumstances, a ship of 400 or 500 tons?—I believe it is in some general proportion of ten men to every 100 tons; and I have heard that assumed generally as the proportion in all shipping.

1431. Are you aware that four men to 100 tons is the average complement for the American ships and the ships in the private trade?—I am not aware of that.

1432. You stated in your former evidence, that the tea-plant took two or three years to produce, and that in the mean time tea would be very scarce?—I stated that the circumstance of the tea plant requiring a certain time to come to maturity, was a circumstance which made it highly desirable that the annual demand for teas should be generally pretty uniform.

1433. Can you inform the Committee whether the practice of taking off buds and leaves from the plants brings on a premature destruction of the plant?—I am not aware of that. It is done probably at times and seasons which are calculated to obviate such an effect.

1434. You were understood to state, that in consequence of the tea-plant taking a certain number of years to produce, it required a peculiar sort of demand, and that the supply would not be produced unless the regular demand were continued?—I meant to state to this effect, that tea is a product which could not be grown in exact accordance to a fluctuating annual demand, because it cannot be produced like a crop of wheat, for instance; and that, therefore, in order to keep up the average quality of the produce, it was desirable that the demand should be as little fluctuating from year to year as possible.

1435. Are you aware that coffee and pepper, which take three or four years to produce, have come down in price under the varying demand which has taken place?—I know nothing about the produce of these articles.

1436. You have stated that the last consignment of woollens is expected to yield a profit; is that the consignment of the year 1827-8, or 1828-9?—It is the consignment of the year 1828-9.

1437. To what circumstance do you consider it owing that this consignment will yield a profit, whereas for the last few years you have represented the woollen trade as a losing concern?—It will arise from the very great fall in the invoice cost.

1438. Has there been any rise of price or any increased de-

mand in China for woollens?—None to my knowledge; rather the reverse. 1 Mar. 1830.

J. F. Davis, Esq.

1439. At what period do you consider that the woollen trade began to be a losing concern to the Company?—It was in some measure since the American competition.

1440. It appears by the papers laid before the House, that in 1809, and up to 1813 and 1814, the export of woollens amounted to 260,000 pieces; that in the year 1815 they had fallen to 161,000 pieces; and that in 1827 they amounted only to 123,000 pieces; will you explain what you consider to have been the cause of that decline?—The Company before endured a greater loss, and a loss which they did not feel justified in continuing to endure.

1441. Do you imagine that when the Americans entered into the woollen trade, and, as you say, drove the Company from the trade by their competition, that they sustained a loss?—I understand that they made use of the woollens merely as a remittance from Liverpool; that *direct* from America they preferred taking *dollars*. I have understood, that from the circumstance of the American ports being to the leeward of the trade wind, a ship is as long going direct from America, as by touching first at Liverpool; and accordingly they found it convenient, being at Liverpool, to take woollens (though they might lose by them to a certain extent) as a remittance.

1442. Do you conceive that the Americans did lose by the export of woollens to China?—I have heard that they have lost on particular articles of woollens. I believe the American importation of woollens into Canton has never reached *one-fourth* of the Company's importation. I was asked in my last evidence whether, if it could be proved that the Americans made twenty or thirty per cent. on some articles of importation on which the Company lost, it did not go to shew that they had some superior mode of introducing the goods: now, I believe, that they have not generally made any such profits; and I should say, that it is contradicted by the fact of their not having increased their importations. If they had made twenty or thirty per cent., they would have increased their importations: and I infer, from their not having increased them, that those large profits were made only in a very few individual instances, and that where they *were* made, it was by evading the port charges.

1443. Did you never hear that the losses on the American trade were confined almost entirely to the return voyages to America?—Yes; because the proportion of specie which the Americans have introduced at Canton has been overwhelming when compared with the amount of their woollen importations; in the proportion of five or six to one.

1444. The question refers to the trade carried on by Americans from Liverpool to Canton, and back to America; did you

1 Mar. 1830.

J. F. Davis, Esq.

never hear that the losses incurred upon those voyages fell almost entirely upon the return cargo?—I cannot speak to that.

1445. Can you state the amount of the Company's investment in woollens, which you say is now profitable?—The returns shew it to be about £800,000.

1446. Do you consider that, at the present prices of woollens in England, the importation of woollens into China is likely to be profitable?—I understand that the last importation of the Company will yield a profit *upon the whole*, in consequence of the invoice price being lower in England.

1447. Are you aware whether there has been, recently, any increased demand in China for cotton-yarns?—I am not aware of it. My experience goes to prove the importation of cotton-yarn to have been unsuccessful; but I have not been in China since the latter end of 1828.

1448. Have you seen an article in the Canton Register of the 3d December 1828, stating that there has been a great rise in the demand for cotton-yarns, and particularly from a new quarter, from the northern provinces of China?—I do not remember having seen that.

1449. Should you consider that the Canton Register is authority upon these commercial subjects?—To a certain extent it is.

1450. Is it as good an authority as price-currents generally are?—Possibly it may be.

1451. You stated that one of the great objections to the consumption of woollen goods in China was, the distance and the expense of transit?—Their being suited to the consumption of the northern provinces, to which we have no access.

1452. Can you state the mode in which the woollens of Saxony are introduced into China?—I have heard of some small quantity of *British* woollens being imported through Russia, but I am not sure of it.

1453. Have you heard that a large quantity of Saxony woollens are imported through Russia?—No, I am not aware of that.

1454. If that should prove to be the fact, is not the transit by that mode infinitely more expensive, and longer in point of duration, than any internal transporting which can interfere, on the ground of expense, with the consumption of British woollens imported into Canton?—The demand must be greater in the cold provinces for such commodities.

1455. Taking the place of consumption to be the northern and the colder provinces of the empire, is not the transport from Russia over-land infinitely more expensive and more distant than the mode of communication which we have by Canton?—No; I am not aware of there being those heavy transit duties levied in that direction that are levied through the provinces of China.

1 Mar. 1830.

J. F. Davis, Esq.

1456. Do you conceive that the transit duty from Canton to the northern provinces would be sufficient to counterbalance the whole waste of time, and the expense of land-carriage across the continent of Asia?—I think it possible; but the whole question is speculative, and cannot easily be brought to a calculation.

1457. There is a letter of the supercargoes, referred to in the report of the Committee in 1821, in which they state that the American trade in woollens was interfering very much with the Company's trade: has it of late years interfered much?—I believe that they have interfered more or less; but the American trade in woollens has not increased lately.

1458. Do you believe it has made the trade of the Company more losing?—It entailed a fall in the price of our woollens, and its depressing effect must have continued.

1459. You state that the quantity of woollens imported by Americans has not increased; have you any knowledge on that subject?—My knowledge is partly derived from the printed report, and from the latest return of the trade at Canton, which makes the whole exports and the whole imports, each of them, only about 6,500,000 dollars.

1460. You took your information, then, from the papers which have been laid before Parliament?—And from papers which I obtained from the India-House—the latest return from Canton.

1461. Do you know the quantity of hardware imported into Canton by the Company?—They made an attempt, some years ago, to introduce cutlery and hardware; but the articles were unsuited to Chinese use: they did not know what to do with them.

1462. With respect to iron, cast and wrought, is there much importation of that into China?—We send about 1,800 tons of iron per annum.

1463. Is that a profitable investment?—Yes; it generally yields a small profit: there is a duty charged by the Chinese of about 5*s*. 10*d*. a cwt. on iron.

1464. Is there any demand for quicksilver?—A very limited demand. I believe it is partly introduced by the officers of the Company's ships.

1465. Did not the Austrians endeavour to establish a trade with China?—I have not seen an Austrian ship there, I believe, since my residence in the country.

1466. In your former examination you stated that the country trade had derived very important advantage and assistance from the Company's Factory, inasmuch as when there was an attack made by the Chinese upon the privileges and trade of foreigners generally, in the year 1814, the Company then made a stand, by which they gained advantages which necessarily extended

1 Mar. 1830.

J. F. Davis, Esq.

to the country trade; are not you aware that the merchants of India, on that occasion, remonstrated with the East-India Company, and claimed indemnity for the heavy losses which they had sustained by the interference of the Select Committee with their trade upon that occasion?—The Company lost too; but they considered that the objects which they were contending for were more than a counterbalance for the temporary inconvenience. I am aware that the country ships suffered by the detention; and I am aware, also, that the Bombay merchants applied to the Government in England for redress, and that their application was rejected.

1467. Do the Americans who trade to Canton carry on a large share of their business with the outside merchants?—They do, a considerable portion.

1468. Do they do more than the private merchants trading from the continent of India?—I believe they do; for this reason, that their trade is directed to articles of commerce which are better suited to the outside dealers, such as silk piece-goods, which are very much a trade of detail, as to patterns, &c.

1469. Are there among the outside dealers men of capital, character, and credit?—They are so little to be trusted, that I know numbers of individuals who have suffered most severely by their transactions with them.

1470. Supposing an outside merchant is indebted either to an American or an English merchant, could he get redress by any judicial proceeding against any outside merchant who has thus become his debtor?—The Chinese government warn all foreigners to beware of dealing with those men, because it will not guarantee their losses. This appears from the proclamation already read.

1471. Would they acknowledge a suit or an application made to the Chinese government to enforce payment against an outside merchant?—They would expressly disavow it, and deny all remedy, stating, at the same time, that the foreigner must bear the consequences of his own dealings.

1472. Would not the Chinese government consider the Hong merchants who secured the ship as responsible for the loss?—I do not know what they might do at present; but during the whole of my residence in the country it has been very much the other way. The government certainly would not give security to any transactions with the outside people. The Hong merchants are security for the *duties*, but not for the *debts* of the outside dealers.

WILLIAM CARTWRIGHT, Esq. called in, and examined.

W. Cartwright, Esq.

1473. Have you resided at Buenos Ayres as a merchant?—I have, for nearly eleven years.

1474. Are you acquainted generally with the trade of the southern states of America?—I am.

1475. Is there any trade carried on from those states direct to China?—Yes.

1476. In what does the trade consist?—It consists in taking out specie from those states, and bringing back the produce of China, consisting of a variety of articles, tea, nankeens, silk, satins, furniture of various sorts, fans, and a variety of fancy articles.

1477. In what bottoms is this trade carried on?—Almost universally in American bottoms.

1478. Has it been a profitable trade?—I have understood so.

1479. When did the trade commence?—It has only been carried on occasionally as opportunities have offered: perhaps not during the whole of the time that I resided there; but I know it was carried on from Buenos Ayres in the years 1822, 1823, and I believe 1824.

1480. Is it generally a circuitous trade; that is, a trade beginning in the United States with a cargo to some of the ports in South America, and from those ports to China?—No; the trade has usually commenced at Buenos Ayres by American vessels being chartered in Buenos Ayres, from thence they proceeded to the west coast (generally Valparaiso and Lima), where they had to take in dollars (dollars being there more abundant than they are in Buenos Ayres), and from thence across the Pacific to Canton, and returning by the Cape of Good Hope to Buenos Ayres. There is likewise, I believe, a trade between the west coast direct to Canton carried on under the American flag.

1481. Is there any trade carried on from the north-west coast under the American flag?—I have understood there was, in skins and furs.

1482. Is there any considerable consumption of tea in those new states?—The consumption of tea has materially increased of late years in those countries, in consequence of the tea which has been usually consumed there by the natives of those countries being from Paraguay, and their not being able to procure it now in sufficient quantity. Some political disputes having arisen between the government of Paraguay and the other states of South America, they have not been able to receive their usual supply of that article, in consequence of which the consumption of China tea there has increased, and is likely to increase still further, in my opinion.

1483. Is the Committee to understand that the supply of tea for the consumption of those states was derived from the province of Paraguay before the interruption of the intercourse?—Yes; the natives of those countries have usually consumed the tea of Paraguay.

1484. Is that the same plant as the tea of China?—No, quite a different plant.

1 Mar. 1830.
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W. Cartwright, Esq.

1485. Is the tea of China preferred to the tea of Paraguay, or is it of necessity that they have recourse to this substitute?—I should think more from necessity than choice; but having acquired of late years a habit of drinking the China tea, I think the people have become latterly more fond of it than they were before; and from that circumstance I infer, that even if the prohibition were taken off the Paraguay tea, there would still be a considerable consumption of China tea, from their having acquired a habit of drinking it now for some years.

1486. Is the consumption of silk goods from China considerable?—It is.

1487. Is the Paraguay tea known in Chili and Peru as well as in Buenos Ayres?—It is.

1488. Is the tea of China now equally substituted there?—I imagine it is; I have not been in those countries, but we have had commercial establishments there, and I have understood that the consumption of China tea throughout all those countries is increasing.

1489. From your commercial experience and knowledge, do you think that, as those states become settled and prosperous, there will be a considerable trade between them and China?—I think there will.

1490. What is the voyage from Valparaiso to Canton?—I should suppose the voyage may be considered from two to three months across the Pacific: two months perhaps. I know that vessels have gone that voyage from Buenos Ayres round to Chili and Lima, and to Canton, and returned to Buenos Ayres within the twelve months, making the voyage round the world.

1491. Then the trade, in your opinion, to whatever extent it may be carried on, will be principally an export trade from China, and in all the articles that those countries may want in that part of the world?—Yes. I should wish to observe, that at the present time the great consumption of goods from China does not consist in tea, but in silks, satins, and a variety of articles manufactured in that country; but that tea is an article of consumption that is likely to increase.

1492. Were you interested in any of the adventures to which you have referred?—I was, in one instance.

1493. Were these adventures profitable?—I have understood they were, and that they would have been more so, but very high freights were paid.

1494. In what years were the freights so high?—The year that I allude to was that of 1822.

1495. What circumstances occasioned the freight being so high?—A very few of the American vessels that come out to that country have instructions from their owners to take char-

ters for China, and of course the number of vessels that offer for that trade is very few. 1 Mar. 1830.

W. Cartwright, Esq.

1496. Do you recollect what the rate of freight was?—It was as high, I believe, as from £20 to £22 a ton register for the voyage out and home, going round by Valparaiso and Lima.

1497. Is copper an article of export from the southern states of America to China?—It is exported from Chili; and I believe it finds its way to China.

1498. Cannot those states be supplied with all articles that they may require of China produce or manufacture cheaper from China than from any other part of the world, on account of their local situation?—I think they may; those articles costing less in China than they do in other parts of the world.

1419. Would they not come cheaper in a direct voyage from China to those states than by any other course?—Decidedly.

1500. Do you suppose that British ships would have been employed in this trade if it had been lawful for them to engage in it?—I have no doubt of it; inasmuch as the trade has been chiefly carried on on British account and with British capital.

1501. Do you apprehend there is a risk of this trade getting into American channels, so far as the shipping is concerned, in consequence of the impossibility of British bottoms being employed in it?—Certainly; that has hitherto been, and I have no doubt will continue so, as long as British ships are prohibited. Those persons who carry on the trade will, in such case, have recourse to American or foreign vessels.

1502. Have you ever known any furs collected on the south-west of America by British merchants, which have been brought to this country, to be sent from this country to China?—No such trade has ever come under my experience, though I think it a very likely one to have been carried on.

1503. Is there any tea brought from Paraguay to the states you have mentioned?—It is not altogether interrupted; occasionally licenses are obtained from the director of that country. They bring this article down the river to Buenos Ayres; but it happens rarely, and the price is very high.

1504. Do you consider that the increase which has taken place in the consumption of tea is entirely in the China tea?—At present it is.

1505. How many adventures had you to China?—I had only one.

1506. In what year?—In the year 1822, to the best of my recollection.

1507. Then you did not think it desirable to embark in any other adventure of that kind?—I left the country a few years

1 Mar. 1830. — *W. Cartwright, Esq.*

afterwards, and no other eligible opportnnity had occurred to embark in a similar adventure, or in all probability I should.

1508. But you have been eleven years there, and that was the only adventure you did embark in?—The only one.

1509. Was it profitable?—It was not a very profitable one, in consequence of the very high freight that was paid; still it left a very fair profit.

1510. What do you call a fair profit?—I think, if I recollect right, the profit was from 10 to 15 per cent. upon the capital invested.

1511. What was the extent of the adventure?—It was a joint adventure amongst a great number of British merchants there; and I think the amount invested was from 100,000 to 150,000 dollars.

1512. You have stated that there was very little tea in the return cargo?—Yes.

1513. Were the other articles chiefly furniture and satin?—If necessary I can state the exact amount, or nearly so, of the different articles that came back in the vessel that I allude to.

1514. When did you leave Buenos Ayres?—In the year 1826.

1515. Then you did not embark in any adventure after that?—I did not.

1516. Nor before?—Nor before.

1517. Did you know of any other adventure to China?—Yes, there were three or four in that very year and the subsequent one.

1518. Have there been any since that time at all?—I think there have been others, but I am not certain.

1519. Can you state any?—No; I know that several vessels sailed after the one in which I was concerned in 1822.

1520. Can you tell how lately any vessels sailed?—I cannot.

1521. Have there been any for these last four years?—I cannot tell, indeed; but I can say, that subsequently to the time at which I was engaged in it, other vessels were sent on the same voyage, but which I did not embark in.

1522. In 1826 you left Buenos Ayres, and you know nothing of the trade since that time?—Except from constant intercourse, having a commercial house there still.

1523. Can you inform the Committee how many ships sailed from Buenos Ayres to China during the eleven years you were resident there?—I cannot. In the year 1822, and I believe the the subsequent year, I know of four vessels having gone.

1524. Did you know of any vessels going before 1822?—Certainly; but I was not interested in any of them, and did not take any particular account of them.

1 Mar. 1830.

W. Cartwright, Esq.

1525. Do you know how many went from Valparaiso or from Lima?—No.

1526. Then your evidence only relates to the trade between Buenos Ayres and China?—It only relates to the trade between Buenos Ayres and China; except that, from my intercourse with the other countries (having commercial houses both in Valparaiso and Lima), I am so far acquainted with the trade of those places, and I know that there is an increase consumption of China produce in the whole of those countries.

1527. Have you any objections to state why, if you found those adventures profitable, you engaged in no others?—It was not at all in our way of business to enter into adventures of that kind; our commercial pursuits are of a different nature.

1528. Are you engaged in trade now?—Yes.

1529. Where do you reside?—In Liverpool.

1530. Would not the produce of Buenos Ayres, for instance hides and tallow, become a profitable investment to China?—I am not aware that it has ever been tried.

1531. Can you state at what rate of freight you could get a British ship to go from Buenos Ayres to China and back again, if it were a legal voyage?—I can only state, that the produce of that country was shipping in British vessels on the voyage to England at the rate of about £4 to £5 a ton, and the outward freight might be estimated at perhaps £2. 10*s.* to £3 a ton, and the outward and homeward voyage together would take about nine or ten months.

1532. And the voyage you have mentioned was done within twelve months, for which £20 to £22 per ton was paid?—That was, I believe, the general rate of freight; but I cannot recollect at what rate the vessel was chartered in which I was interested.

1533. Do you recollect the size of the ship that was chartered?—I think she was a vessel from 350 to 400 tons.

1534. Have you exported any Paraguay tea to Buenos Ayres?—Never.

1535. Do you know the price at which it was sold per pound at Buenos Ayres?—When the article was plentiful in Buenos Ayres, it generally sold (to reduce it to sterling) from 7*d.* to 9*d.* a pound.

1536. Was it drunk by the merchants at all, or only by the lower classes?—Not much by the Europeans, but generally by all classes of the natives of the country, as well as by the Spaniards who have long resided there.

1537. How is that price as compared with the price of China tea?—I cannot state the exact price, but I think the black tea was usually sold in Buenos Ayres from 2*s.* to 2*s.* 6*d.* per pound, and the green tea from 3*s.* to 3*s.* 6*d.* or 4*s.*

1 Mar. 1830.

W. Cartwright, Esq.

1538. What is the duty?—The duty was then twenty per cent. ad valorem.

1539. Did any of those ships trade with the eastern Archipelago?—None that I am aware of.

1540. Can you state whether that has been a profitable trade since 1822 or not?—I have no means of answering that question.

1541. Have you no means of stating up to the time you left the country in 1826?—The only means I have of judging is from persons having pursued the trade after the period I have mentioned. I should suppose, if it had not been profitable, it would have been abandoned.

1542. You stated that the rate of freight was from £20 to £22 a ton, did the freighter pay the port charges at Canton, or the owner of the ship?—The owner of the ship.

1543. Do you consider the tea imported to Buenos Ayres from China to be as good as the tea consumed in this country? —Quite as good.

1544. Do the vessels which go to Valparaiso and Canton stop at the Phillipine Islands?—I think not. I have heard of their calling on their way at the Sandwich Islands.

1545. What do you suppose could have been the freight from Buenos Ayres to Canton and back, supposing the freighter to have paid the port charges at Canton?—I cannot precisely state what a British vessel might have been procured at for that voyage; and I am not acquainted exactly with the amount of port charges at Canton.

1546. What do suppose would be the rate of freight for a British ship, according to the present general rate of freight, for a voyage from Buenos Ayres to Canton and back, supposing the freighter paid the port charges?—I should think that a vessel for that voyage might, at the present time, be chartered at the rate of from £8 to £10 per ton register for the round, and perhaps less.

1547. You are a considerable ship-owner?—I am interested in several.

1548. Is there much difference between the rate of freight now and what it was in 1822?—Judging from the freights we obtain from South America, there is little difference.

1549. Do you think the £8 a ton would remunerate the ship-owner?—I am not prepared to say that; I think that vessels might be engaged at about that rate.

1550. Do you consider that £8 to £10 would be a fair rate at the present time?—Yes, according to the current rates to other parts.

1551. Do you know whether any other country, except the Americans, are engaged in the trade from the Pacific to China?

—Several of the natives of Buenos Ayres are engaged in that trade.

1552. Do you know whether any other bottoms are engaged in it; the Dutch, for instance?—I do not know; I dare say there may be Dutch vessels engaged in that trade.

Martis, 2° die Martii, 1830.

Captain ABEL COFFIN called in, and examined.

1553. You are a citizen of the United States?—I am.

1554. In what part of the United States?—Newbury Port, a town of Massachusett's.

1555. Have you commanded a ship in the China trade?—I have, three voyages.

1556. From what port did you sail?—Boston.

1557. In what years did you perform those voyages?—1822, 1823, and 1824.

1558. What cargoes did you take to China?—Specie, and some trifling cargoes of casks of furs, but nothing on account of the owners except specie.

1559. What quantity of bullion did you take out?—In 1822 I had 172,000 Spanish dollars; in the year 1823, I had 200,000; and in 1824, 165,000 dollars. At the time I had the 200,000 dollars it was not to be all invested in my ship; between 30,000 and 40,000 was to pay a debt that the owner had contracted on a previous voyage.

1560. What cargoes did you bring from Canton?—Teas, or manufactured goods, silk goods, cassia, and nankeen.

1561. Were the teas black and green?—An assorted cargo; about two-thirds were black.

1562. Do the Americans experience any difficulty in carrying on the Chinese trade?—None, that I have known.

1563. Did you ever experience any yourself?—Not any.

1564. Had you any supercargo?—The first voyage I had one; the two last I had neither supercargo nor clerk.

1565. What was the name of the ship?—The Liverpool Packet.

1566. And what was its burthen?—397 tons, American tonnage.

1567. Is that different from the British?—There is some trifling difference, but very little; I think it would differ about five or six tons from English tonnage, in a ship of that size.

1568. Is it larger or smaller than the British?—I think it is smaller than the British.

1569. Will you have the goodness to give the Committee an

2 Mar. 1830. — Capt. A. Coffin.

account of the way in which you proceeded in conducting your transactions at Canton?—On the arrival of the ship at Whampoa the factor generally proceeds to Canton, there he calls upon the Hong merchants, or frequently the Hong merchants send their pursers to wait upon him on his arrival.

1570. Do they send down to the ship?—Not down to the ship, but to his place of business. He will then make an arrangement with one of the Hong merchants to secure his ship; and generally we agree to trade with that Hong merchant, admitting that he will trade with us on as good terms as we can trade with any other merchants in general; but we buy one-third or one-half of our cargo of him, and sometimes the whole.

1571. But you do not give more for teas you purchase of him than you give to others?—Not in any way; we give him no further advantage than a preference of trade, if we can trade equally well with him.

1572. Do you give him any fee or douceur to become security for the ship?—Not any.

1573. Are there considerable facilities in the port of Canton for transacting business?—There are more so than in any port I have ever been in in India.

1574. Can you give the Committee any instance to prove that facility at the time you arrived there?—I arrived at Whampoa, on one voyage, when I was both master and supercargo of the ship; and I laid at Whampoa then fifteen days, and loaded there and sailed in that time.

1575. Did you trade from China to America, and from America to Europe?—From America to China, from China to America, and from America to Amsterdam.

1576. Can you give the Committee an account of any voyage you have performed?—I have here an extract of an American newspaper, giving an account of one of my voyages: it is headed "Despatch.—The ship Liverpool Packet, Captain Coffin, sailed from Boston on the 21st of July 1824, for Canton, arrived there, changed her cargo, and returned to Boston in eight months and twenty-nine days; afterwards sailed for Amsterdam, and performed the voyage there and back to Boston in seventy days, changing cargo: thus having completed two long and important voyages in eleven months and sixteen days."

1577. Is that an accurate account of the voyage you performed?—It is one day longer than the voyage was. I was eight months and twenty-eight days, instead of twenty-nine days; that is, the whole time from the time I left Boston to the time I returned to Boston again.

1578. Did you unload entirely at Boston, or only in part?—I merely discharged my silk goods and some teas that answered

for the Boston market, and brought on the remainder to Amsterdam. 2 Mar. 1830.

Capt. A. Coffin.

1579. Did you load at Amsterdam?—I returned in ballast.

1580. Have you had any dealings with the outside merchants?—I have. I have generally bought the greater part of my silk goods, and frequently considerable quantities of tea to complete my cargo, of the outside merchants. Generally an outside merchant has some Hong merchant as his friend; goods are obliged to be shipped through one of the Hong merchants. They are bought of the outside merchant, and the probability is, that the outside merchant pays the Hong merchant some trifling compensation for shipping his goods.

1581. Do you find any difficulty in dealing with the outside merchants?—I never have myself; but I have heard others say there is not that security in trading with them. You are more liable to be imposed upon, which is not the case with the Hong merchants.

1582. What security have you of there being no imposition on the part of the Hong merchants?—Only their own.

1583. Can you mention any instances?—On one voyage I had five chests of tea which proved to be filled up with sawdust and brickdust. It was the time of the great fire at Canton, and it was some of the old remains of the fire; they weighed about equal weight with a chest of tea. When I went back I took it back, and took it to the Hong merchant, Puankhequa; and after sending his purser to see that it was his mark, he immediately, without saying any thing further, sent me ten chests. He gave me to understand, that it was not intentional on his part. I have no doubt that it was done on board the chop-boats. The people I purchased my goods of are accountable for the goods till they get alongside the ship. We buy the goods deliverable on board.

1584. What is the amount of a chop of tea?—Of black tea, generally about 400 to 600 chests. It is a quantity of tea grown on one piece of ground by one man; and of black teas it generally consists, sometimes it exceeds, 600 chests, and the green about 400 chests.

1585. Was the tea returned to you by Puankhequa of as good a quality as that which he had engaged to deliver before?—It was.

1586. Do you generally find that you can trust as much to the Hong merchants in their dealings with you as you can to merchants residing in other parts of the world?—I should think we might full as much.

1587. Can you mention the prices that you paid for tea in any given year?—In 1822, the first voyage that I was there, from 22 to 23 tales per pekul were paid for the souchong. It amounts

2 Mar. 1830. — *Capt. A. Coffin.*

to the same thing as cents per pound; cents are $\frac{1}{100}$ of Spanish dollars: 22 tales would be about 22½ cents.

1588. What did you pay for the other descriptions of tea?—Bohea was, to the best of my recollection, 12 cents per pound; about 12 tales per pekul; congo was about 21 to 22; young hyson was 36; hyson was the same price; hyson-skin was 25.

1589. What do you mean by young hyson?—Young hyson tea, I believe, is the young leaf off the old hyson.

1590. Were those all fresh teas?—All fresh teas.

1591. What did you pay for gunpowder tea and for imperial tea?—Gunpowder, 50 to 55, and for imperial about the same price.

1592. Was the price of green tea higher in the year 1823 than it had been before?—It was.

1593. Had you any difficulty in that year in completing your cargo of green tea?—In 1823 I had, in obtaining as much young hyson as I wished.

1594. Could you, in the year 1824, obtain the young hyson that you required?—Not at all; but it was more plentiful than it had been. I was late in the year 1824, being one of the late ships that went against the monsoon.

1595. What difference in the price did the scarcity of young hyson, in the year 1823, make in the article?—It made a difference of between 36 and 42 tales per pekul.

1596. What was the price of the young hyson in the year 1824?—In the year 1824 I paid from 45 to 48 for young hyson.

1597. Have you ever seen a printed price-current at Canton?—I have; but I believe they have been sent out printed from Europe or America in blank; they were filled up at Canton.

1598. Is that a common practice?—That is the common practice.

1599. Is there, in your judgment, any difference between the quality of the teas purchased by the East-India Company and those purchased by the Americans?—I should think there was a difference, from 5 to 10 per cent. in favour of the teas purchased by the East-India Company.

1600. Does that apply both to black and green?—To the green teas I think it does not apply. Our green teas are equally as good as those imported by the Company. Souchong and congo I have myself bought there after it has been marked to go on board Company's ships, and paid a little higher for it.

1601. How did you contrive to get those chests?—The Hong put other printed papers over them.

1602. Were they intended for the Company's ships?—I believe they were; but the merchants wanting ready money sold them.

1603. Do you remember what you have paid for the tea so purchased?—I think it was 24 tales; that was in the year that I was paying 21 for the teas that we usually take to America.

1604. Do you imagine that was part of the tea for which the Company had contracted?—I have no doubt that it was tea that was to go on board the Company's ships. I believe that the Hong merchant intended it; but wanting some ready money, he got it in this manner.

1605. Was it your general practice to pay ready money for the teas you purchased?—Generally. I have had credit in China when I have not had funds enough to load the ship.

1606. On which voyage was that?—The first and last voyage.

1607. From whom did you have it?—From Chumqua, one of the Hong merchants.

1608. What security did you give him?—I gave him my bill, payable at twelve months or on my return.

1609. Did you refer to the American consul there?—No other security than my own.

1610. Were you a perfect stranger to him?—So far a stranger, that I had only been acquainted with him on my first voyage there; but he considered, from my being in command of the vessel and having the management of the business, being concerned with the supercargo, that I must be a respectable person, and of course he required no other security. The merchant I sailed for had frequently had large credits.

1611. Then it is not an uncommon practice in Canton to give credit where the money for the payment of the goods is not immediately forthcoming?—No; between thirty and forty thousand dollars which I took out on one voyage, was to pay for a previous credit which the owner had had.

1612. Have you found equal facility in other parts of India? —I never have.

1613. What interest did you pay?—Eight per cent. per annum.

1614. At what time do the tea merchants usually arrive at Canton?—From November to December.

1615. Did you ever purchase teas of an old season?—I did.

1616. What is the difference in the price at Canton between the old and the new teas?—About four or five tales.

1617. Is that the case in all descriptions of teas?—In green teas I do not think it is so much: we consider that the black teas injure by keeping.

1618. What difference is there in the American market between the old and new teas?—Perhaps two to three cents per pound.

1619. When you say four tales, do you mean in the bohea

2 Mar. 1830.

Capt. A. Coffin.

tea or in the congo tea?—In the congo tea; not so much in the bohea tea. I never bought any old bohea.

1620. How were the three cargoes of tea which you bought disposed of?—Part of it was disposed of in America, but the greater part went to Holland.

1621. Can you tell what the teas sold for in Holland?—I think at 21 stivers. The last voyage, not having any thing to do with the business myself in Holland, being consigned there, having some shares in the voyage myself, I was furnished with account sales; but, to the best of my recollection, about 21 stivers for the Dutch pound.

1622. For what description of teas?—For the congo.

1623. Of the tea you purchased, was part of it from the Hong and part of it from the outside merchants?—It was.

1624. Are you able to state how the teas purchased from those two parties turned out?—I think that the tea was fully as good that I purchased of the outside merchants as that of the Hong. The outside merchant that I purchased it from had been established for many years, though within two years he has died; his name was Yoqua.

1625. What is the difference between the Dutch pound and the English pound?—112⅔ English, I think, makes 110 pounds Dutch.

1626. Can you state the price in Holland of any other description of tea besides congo?—I cannot.

1627. Is there any difference in the duties on American and on national ships in importing teas into Holland?—There is considerable.

1628. Can you state what it is?—I do not know the difference exactly; but I was told by the merchants that the circumstance of mine being an American ship made a difference of something like 28,000 guilders on the whole cargo; that is, about £2,200.

1629. Do the American ships perform their voyages cheaper than Dutch ships?—I think they do; they are more expeditious, and they also sail with fewer men. In the ship that I commanded I had twelve seamen, making altogether seventeen, and sometimes having a boy, making eighteen people, myself included.

1630. What would a Dutch ship of that size have?—Probably twenty-five.

1631. What was the size of the ship?—About 400 tons.

1632. Can you state what was the whole cargo of the ship on which that additional expense was incurred?—The investment in China was about 170,000 dollars.

1633. Would an American ship, nominally of 400 tons, carry more or less cargo than a Dutch ship of 400 tons?—The Dutch ships are rated by the last; but when I compare them with the

American ships, I speak of a ship that would bring the same quantity. 2 Mar. 1830.

Capt. A. Coffin.

1634. Is not there a different mode of measuring the tonnage in American ships from the British?—I believe there is; we take half the breadth of beam for the depth of hold, the length of keel multiplied by the depth, divided by 95.

1635. Do you know the English way?—I do not know exactly the English way of measuring.

1636. Is not the American ton reckoned forty cubic feet?—It is.

1637. Do you know whether the English is reckoned the same?—I do not know.

1638. Is not a last about two tons?—I believe it is.

1639. You stated that the value of your investment in China was about 170,000 dollars; do you know what its value in Holland was?—I cannot tell exactly.

1640. Did the charges depend on the value of the cargo in the ship, or on the ship itself?—Principally on the cargo.

1641. You have stated that on board your ships you have had twelve seamen, and altogether a crew of about eighteen persons including yourself; is that to be considered the average number of the trade of Boston at the same time?—Yes, I think the average number of all American ships, the Philadelphia ships excepted: they generally have a few more, owing to having a number of apprentices.

1642. Is any additional risk considered to be run by having so small a number, or what is the rate of insurance upon the American ships in the Chinese trade?—About four per cent. upon the whole voyage out and home, insured in America.

1643. Are you generally acquainted with the trade of Boston and Salem?—Yes.

1644. Was that the insurance when you went there, or is it the same now?—That was the insurance when I went, and it is about that now; it does not exceed 4¼.

1645. You mean upon a voyage to Canton, out and home again?—Yes, not including the risk to Holland.

1646. Can you state the average number of vessels that have been employed in the East-India trade for the last seven years from Boston and Salem?—In 1823 there were forty-two American ships during that year in Canton. Altogether the trade has fallen off considerably now: I think, for the last two or three years, there have not been so many; there have not been more than half that number.

1647. Can you state, for the last fourteen or fifteen years, what have been the number of Boston ships lost in the China trade, either in the outward or homeward-bound voyage?—I do not remember but one Boston ship being lost: that is between

2 Mar. 1830. — Capt. A. Coffin.

fourteen and fifteen years: Rapid is the name of the ship: she was commanded by Captain Dawe; she was cast away on New Holland, going an eastern passage.

1648. Have there been any homeward-bound ships lost?—There was a Philadelphia ship in March 1824, called the Columbia, lost at the east end of Banca.

1649. Have you not made several voyages to India as well as to China?—I have, twelve within the last thirteen years.

1650. Can you state what has been the average length of these voyages?—About ten months out and home. The longest passage I ever had to Java, which we take the passage from either to Europe or America, was ninety-six days; and two years ago I came from Angier, which is the starting-point in Java, in eighty-one days, with a sugar-loaded ship.

1651. Have those voyages that you speak of all been carried on with the same number of men that you have already mentioned, in proportion to the tonnage?—The same number.

1652. Are the American ships, as compared with the British-built ships, built more for the purpose of speed and use, than for that of carrying bulk?—Our modern-built vessels, I think, are all about the same; they carry equally as well as the British vessels: but the ship that I commanded to China was a ship built some years; she would not carry quite so well, but sailed much faster.

1653. What has been the alteration that has taken place in your modern-built ships?—They have made them longer, deeper, and not so wide.

1654. In what mode do you take the measurement of the tonnage of your ships?—From the length half the breadth of beam is taken; by the depth of the whole multiplied by the length, and divided by 95.

1655. With what object is it that that mode of taking the measurement has been determined upon?—I cannot say.

1656. Is the nominal tonnage of a ship built in one of those modes greater in proportion to its real capacity than that of one built in the other; and will you explain the mode in which the difference is produced?—It is different, owing to the ships being much narrower, having more length and greater depth in the hold; a vessel of that description, a vessel of 28 feet beam and 100 feet long, would not carry nearly so much as a vessel of 26 feet beam, and adding greatly to the length and depth, which does not increase the tonnage in the same ratio.

1657. What reason have the Americans for employing smaller ships rather than those larger ships which are generally employed by the East-India Company?—I believe they think them more expeditious generally in performing the voyage; and the cargo frequently in America is owned by a merchant, and he prefers having his goods go in his own ship, in preference to

having a very large ship, and getting some other persons to fill her up. 2 Mar. 1830.

Capt. A. Coffin.

1658. Is there any tonnage duty paid in America on the register?—There is: it is small, but I cannot tell the exact amount.

1659. Do not American vessels sail with fewer men than the English vessels do?—I think we do.

1660. What is the proportion between the crew of an American vessel and that of a British vessel?—I should think a British vessel of 400 tons would have five to seven more than an American vessel of 400 tons.

1661. Then, of course, having fewer men, you have more room for cargo than the English or Dutch ships have?—Yes.

1662. Do you accommodate your crew as well as the English vessels do?—I think we do better.

1663. Do you allow them the same space?—I think we do. Perhaps the Company's ships have better, because they have the accommodations of men-of-war; but I believe ours are fully as comfortable as the free-traders, and I am sure that we feed them much better.

1664. Have not the Company's ships much better accommodation and more room?—They have.

1665. What was your freight out and home?—I had no freight on my own ship; the cargo belonged solely to the owner of the cargo and myself.

1666. What would the freight be?—The last year I was there, I shipped teas at 30 dollars per ton to America from China, in an American ship, allowing ten quarter-boxes to a ton, which measures about forty-one feet; but it is customary to take ten quarter-boxes.

1667. Are you of opinion that you can still import teas into Holland, notwithstanding the higher duties now paid in the ports in Holland?—I think we can compete with the Dutch yet.

1668. Do the Americans now carry on the trade of tea to Holland as much as formerly?—Not so much.

1669. Can you state any reason why they do not?—It is owing to the Company of Dutch merchants, the Dutch Trading Company, sending a number of ships to China.

1670 Have their transactions been attended with loss or gain?—I believe they have been attended with considerable loss.

1671. Do you consider the tea that you get in this country equal to what you get in America?—I do not think it is so strong, the tea that I have been able to get here for my own use.

1672. Does that apply to the green or to the black teas?—To the black teas.

1673. To what do you ascribe this difference?—I should think

2 Mar. 1830. — *Capt. A. Coffin.*

the tea I generally purchase here, retail, is old tea that has lost a great part of its flavour and strength.

1674. What price have you paid here for good souchong tea, retail?—Five shillings and sixpence.

1675. What would you pay for similar tea in America?—Two shillings, or 50 cents.

1676. Can you tell how much of that 2*s.* is duty?—On the black tea, souchong, it is 25 cents, which is about 12½*d.*: it is, in fact, 1*s.* 0½*d.* out of 2*s.*

1677. Can you state the proportion the duties bear to the price of tea in other descriptions of tea?—The duty on gunpowder and imperial is 50 cents; on young hyson, 40 cents; 40 parts of the Spanish dollar out of 100 parts; on hyson-skin it is 28; on congo and all black teas, bohea excepted, it is 25; on bohea it is 12.

1678. Can you give the per-centage of the duties in America upon the teas generally?—It is not put upon a per-centage, it is so much per pound.

1679. With reference to the average prices, how much would it be?—The duties are about equal to the cost at Canton.

1680. Is not it 45 per cent. in America upon the average?—The price of tea in America varies, but the duty is permanent.

1681. Do you know how many American houses of business there are residing at Canton?—There are seven or eight.

1682. Have they several partners, generally speaking?—There are in some of the houses three or four partners, in others only one person.

1683. Have there been any failures among those houses in your recollection?—There is the house of Thompson, who was the son of Mr. Thompson (I cannot say the house of Thompson in Canton failed) that failed in the United States, owing, I believe, to some smuggling transactions.

1684. Is there any other failure that has occurred within your knowledge?—I know of no American that has failed in Canton.

1685. Are the Boston merchants trading with China generally considered very wealthy persons?—They are.

1686. Are you acquainted with Colonel Perkins?—I am.

1687. Is not he one of the principal merchants in Boston?—He is the principal. Theodore Lyman has been one of the greatest traders.

1688. In general, among the wealthy merchants in Boston, are not the wealthiest among those connected with the trade to China?—They are.

1689. Do they continue to have the same reputation for wealth that they used to have?—The Boston merchants do: there have been several of the New York merchants connected with the China trade who have failed.

1690. When at Canton, did you understand that the Americans received any protection from the East-India Company's Factory?—I never understood that they received any protection.

1691. Supposing that Factory were withdrawn, do you think that the situation of the Americans would be worse or better than it is at present?—I think it would be quite as well: I cannot say that it would be worse or better, but it would make no difference.

1692. Is the American trade popular with the Chinese?—I believe it is.

1693. Is it as much so as that of the East-India Company?—I believe that the reason why the Chinese favour the American trade is on account of the great quantity of specie that is brought there: the Company have imported large quantities of goods. I suppose the only preference would be, which trade they found most beneficial to themselves.

1694. Do you know any thing respecting the British manufactures taken from this country by the Americans?—Nothing; I have frequently seen the goods there, but had nothing to do with them.

1695. Do you know whether those goods generally pay duties, or whether they are smuggled into China?—I believe they generally pay duty; except, in some cases, officers going might smuggle a small investment: but the respectable merchants, I think, would not have any thing to do with smuggling.

1696. The respectable merchants, either British or American?—Either.

1697. Were you ever engaged in the fur trade?—Never, otherwise than carrying a few casks on freight.

1698. Do you know whether the animals from which the furs are got have considerably diminished in quantity?—The sea otter has, considerably; the land furs perhaps not much.

1699. Do you know of the arrival of any ships in China bringing furs from the north-west coast of America?—The person that owned my ship had a ship which arrived in Canton while I was there with furs.

1700. At the present moment, is a smaller quantity of furs than heretofore brought into the market of Canton?—A smaller quantity of the sea otter; perhaps of the other furs there are as many.

1701. Do you know whether furs, and warm clothing of that description, is in much request in China?—It is. All the Chinese that can afford it, generally wear woollens or camlets lined with furs, in the neighbourhood of Canton.

1702 During the whole year, or a part of the year?—During a part of the year; during the cold season, from March to April.

2 Mar. 1830.

Capt. A. Coffin.

1703. Is there a good deal of cold at that period?—There is; I have seen it freeze in the Canton river at night.

1704. What is the latitude?—Between 22 and 23 degrees.

1705. Are you aware whether the American ships coming to Canton are occasionally in the habit of running across to the Philippines, and bringing back rice to China?—It is frequently the case.

1706. Do they derive any advantage from it?—They save what is called in China the cumshaw measurement, which is the ship duty.

1707. What does that mean?—It is a present; it is levied on the ship; it is a tonnage duty.

1708. What is the amount of it?—On my vessel it is averaged from 4,500 to 4,800 dollars.

1709. In fact, do the Chinese favour the admission of raw produce from other countries?—Of rice in particular.

1710. Is not that part of the port charges which is called the cumshaw the same for every ship?—I believe it is.

1711. Do you recollect the amount of it: is it 1,900 tales?—It is somewhere not far from that.

1712. Is not that part of the duty calculated according to the distance between the foremost part of the mizenmast and the aftermost part of the foremast?—Between the centre of the mizenmast and the centre of the foremast in length, and the breadth from the middle of the mainmast to the side of the ship, half the breadth: a vessel with two masts is measured from the end of the tiller to the foremast.

1713. What is the rate of freight between Boston and Canton?—The usual rate, where a vessel has been taken up, has been heretofore about 40 dollars a ton measurement for the voyage out and home. A ship-owner will carry out specie, and take home the goods at 40 dollars a ton measurement; or on nankeens 9 per cent. on the ship: on silk goods, 6½ per cent.

1714. Does that cover all the charges?—That covers all the charges; because we buy the goods free of expense, deliverable on board.

1715. Does that cover the port charges in Canton?—They are paid by the shipper out of that, except some small charge for Factory hire.

1716. Is the insurance included in that?—The insurance is not included.

1717. What is the rate of commission paid on the purchase of teas?—Two to 2½ per cent. upon the invoice price.

1718. To whom is it paid?—To the supercargoes or merchants there. Some do the business at 2, and some at 2½ per cent.

1719. Do you know what the rate paid by the British there

is ?—I do not. I have understood that the British merchants residing there did the country business ar 5 per cent. 2 Mar. 1830.

Capt. A. Coffin.

1720. Supposing a ship brings a cargo into Canton, and loads with tea in return, would there be a commission both ways?—There would on the sales and the purchases.

1721. What would be the amount of that commission?—A person having the consignment of goods out and home would probably do it at four per cent.; but five per cent., that is, 2½ per cent. each way, is the highest commission.

1722. Is the commission included in the 40 dollars paid for the freight?—I am not sure whether it is or not, because I never took any freight in my own ship either out or home; but I believe the 40 dollars covers it.

1723. Have you any English seamen in your ship's company at Canton?—I generally have one or two, or three amongst the company.

1724. Have you found that they conducted themselves as well as the Americans?—I cannot say that I have ever seen any difference.

1725. How soon did you arrive at Canton after the execution of an Italian sailor on board an American ship?—From five to eight months.

1726. Do you know any thing of the nature of the transaction?—I frequently heard it stated, and had it from the supercargo of that ship, meeting him on that voyage down at Angier.

1727. What was the name of the ship?—The Emily of Baltimore.

1728. Can you state any thing of the circumstance of that transaction?—I understood that the woman that was killed or drowned was in a boat under the ship's bows, and something passing between the sailor and the woman, he took an earthern jar and threw it at her, and struck the woman on the side of the head, consequently she fell overboard, and when she was taken up she was dead. At the time it might have been settled for a trifling amount of 100 or 200 dollars, but after getting to the ears of the Mandarins they demanded life for life. It was thought by the Americans there that the sailor did not intend to kill the woman: whether it was done in sport or in anger they could not tell, but they agreed that the man should not be given up; consequently, for some time the American trade was stopped, and the Mandarins persisted in demanding the man.

1729. How long was it stopped?—I cannot tell the exact period, but for some number of days.

1730. Was it ever proved that the man struck the woman?—I believe that it is not doubted. I had it from the supercargo of the ship, that the jug that he threw at her struck the woman; but the matter was never properly investigated.

2 Mar. 1830.

Capt. A. Coffin.

1731. Supposing a woman to have been killed by an American seaman in the port of London, would not that American seaman have been tried according to the laws of this country?—No doubt of it.

1732. And it is presumed the same would happen in America, and every part of the civilized world?—No doubt.

1733. Do you know whether the man was tortured or not?—I believe he was not: he was very shortly put to death after arriving. They got him by stratagem out of the ship.

1734. It has been stated that the American consul resigned his appointment in consequence of this affair. Do you know whether that was the case or not?—I never heard that that was the case. Mr. Wilcox was consul at the time, and he was consul after I arrived there; but being a man of considerable business there, the consulship was rather a plague to him, as he never took any fees for depositing ship papers, and certifying the landing certificates and invoices shipped from there: but I never heard that he gave up on account of this transaction.

1735. When did he resign his office?—I should think it was full a year afterwards.

1736. Does he reside there now as consul?—He does not; he is now in Philadelphia.

1737. Is there any American consul there now?—I am not sure whether we have one or not.

1738. What are the duties of the American consul?—We are obliged by the American law to deposit our ship papers with him, within forty-eight hours of our arrival. When goods are carried out that we get a debenture on, he signs the landing certificate; it is sworn to before him by the master of the ship, and by that means we recover the debenture in America: and also when piece-goods are shipped from Canton which pay an *ad valorem* duty, the invoice is sworn to before him that it is a fair invoice; on manufactured goods, the duty is paid by a per-centage on the cost.

1739. And that is sworn before the consul at the port of export?—It is.

1740. Does he exercise any control over the American seamen?—Not any.

1741. If any complaint was made against any of the American seamen by the Chinese authorities, would they apply to the consul?—They would not; they would apply to the security merchant.

1742. Is the consul recognized by the Chinese authorities at all?—I never heard that he was.

1743. Are any of the other consuls recognized?—I believe none of them are recognized by the Chinese authorities.

1744. Does the Chinese government recognize the existence of the Company's Factory?—I believe not; it is like the other trade.

1745. Do you understand that the number of American ships trading to Canton has latterly decreased?—It has.

1746. What is the reason of that?—Owing to the Dutch putting a number of ships in the trade; there have been some of the German ships of late put in under the Austrian flag, from Hamburgh and Bremen: and also owing to the English importing teas into Canada; heretofore, I believe, Canada was principally supplied with teas from America.

1747. Do you apprehend that the ill success of voyages to Canton has been the cause of any part of that decrease?—I do not think the trade for the last three or four years has been so lucrative as it was heretofore.

1748. Are you not of opinion that, supposing that trade were conducted upon proper principles, and confined within reasonable limits, the trade would be conducted profitably now as it was heretofore?—I do not know why it should not. Since the general peace, commercial trade throughout the world has been less lucrative of late years.

1749. Have other branches of trade from the United States decreased in the same proportion as the trade between the United States and China?—The East-India trade has decreased to other places fully as much as it has to China and Brazil.

1750. From the United States to Europe and other parts of the world, is the trade less now than it was some years ago?—I think not to Europe: the European and West-India trade is carried on as much as ever it was.

1751. And to as much advantage?—I think not.

1752. Taking the trade generally in the United States, is not the profit now realized by the merchants less than it was some years ago?—I should think considerably less.

1753. Is there considerable competition in carrying on the foreign trade in America?—There is.

1754. Can you state the quantity of tea that used to be furnished by the Americans to Canada?—I cannot state precisely; I should think it was about three or four ships' cargoes of 400 tons.

1755. Was not a great quantity carried in by the smuggling trade?—It was not allowed in any other way.

1756. Therefore it is difficult to estimate the amount of it?—It is.

1757. What port charges did you pay in China?—Including Factory expenses and the ship's expenses, between 7,000 and 8,000 dollars usually on my ship; that is, including the cumshaw, and the piloting, and the victualling of the ship.

9 Mar. 1830.

Capt. A. Coffin.

1758. You have stated that you were enabled to load and unload and depart from Canton river in fifteen days; what was the longest time you have ever employed in doing that?—Three months and a half, one voyage; I arrived there just before the great fire took place.

1759. If that fire had not taken place, how long should you have been?—Probably five or six weeks. The average is about five or six weeks with the Boston ships and the New York ships; but the Philadelphia ships usually stay longer; they generally wait till their silk goods are manufactured: they have a great many shippers, and frequently will send two or three supercargoes. A person putting in 100,000 dollars sends a person to manage the business, and another person sends another: there are a great number of shareholders, and their trade is different, so that there is generally some delay caused by it.

1760. Do the Philadelphia ships export more silk manufactured goods from Canton than the Boston ships?—I think they do.

1761. You stated that the American, China, and India trade has been a losing trade for some years; will not the loss of the Canadian trade and the Dutch trade account for that?—I should think it would in a great measure.

1762. Those two branches having been a great outlet for the American trade?—I think so.

1763. Have you traded with Calcutta?—I have.

1764. Can you state what the port charges there would amount to, including all the items you take into your calculation in the port charges at Canton?—It would depend upon the length of time that the vessel laid in Calcutta: I lay off about three months in Calcutta. The port charges altogether, with a vessel of about the same size, would be between 5,000 and 6,000 dollars, including factory rent and expenses.

1765. Do you conceive that there is any advantage in carrying on the China trade with large ships of 1,200 tons burden?—I could not say. The Americans began to build some large ships, as large as 900 tons, but they are out of the trade now; whether they found them answer I cannot say. There was one called the Washington, of 900 tons, which made two voyages to China, and then she was put out of the trade.

1766. From what port did she sail?—From New York.

1767. Did she engage in any other trade?—She did. The last that I heard of her was in the Liverpool trade, carrying cotton.

1768. What do you consider to be the average size?—From 400 to 600 tons.

1769. From your experience in that trade, should you say

that a ship from 400 to 600 tons burden was the best size?—I should think they were as good as any size. 2 Mar. 1830.

Capt. A. Coffin.

1770. Is the revenue derived by the United States from the duties on tea large?—It is considerable; I think about two millions of dollars.

1771. Do you know whether it is one of the largest items of duty?—I believe it is the largest of all our trade.

1772. Is there a drawback upon re-exportation?—There is.

1773. Do you include the amount of the drawback?—No, that is what is actually paid, the net duty.

1774. Is the revenue derived to the United States from tea increasing or not?—I should think it had fallen off since the Canada trade; because the duty on the tea that went into Canada was paid in the United States.

1775. Do you think there is at present any smuggling of tea into Canada from the United States?—I should think there was not much.

1776. Should you say that the revenue derived by the United States from tea is likely to continue increasing or to fall off?—If the same tariff continues, I should think it would increase, as the use of tea increases as the number of inhabitants increases.

1777. Do you understand whether there is any difficulty in the collection of the tea revenue in the United States?—I never heard of any difficulty.

1778. Have you ever heard of any smuggling of tea?—I have; one case particularly, by a person of the name of Thompson.

1779. Is the smuggling of tea carried on extensively in the United States?—I believe not.

1780. Are you aware that the duty on congo tea has been much larger in proportion than the duty on any other tea imported?—It has been larger, taking into consideration the cost of the article.

1781. Has not its consumption in the United States decreased much in consequence of the increased duty?—I cannot say that the consumption has decreased on that account. I think that the consumption of different kinds of hyson tea has increased; it perhaps may be from the fancy of the people drinking it.

1782. Can you state to what ports of the United States the importation of tea is now open?—To every port where there is a custom-house.

1783. Can you state any circumstances connected with an American ship freighted by British merchants from Buenos Ayres to Canton?—I recollect one ship, a ship called the Parnther, Captain Bowers, which was taken up at Buenos Ayres, went to

2 Mar. 1830. Capt. A. Coffin.

Canton for a voyage; she made two voyages; one year in particular, I lay next to her, and was very intimate with the captain of her. That ship went out from the United States with a cargo of flour and some specie on board, to land her flour at Buenos Ayres and to proceed on to Canton. There was, I believe, an English merchant and some Spanish house there that wanted to take up a ship to go to Canton, and they found they could not send an English ship there, and consequently they took up this American ship, and paid her a very large charter.

1784. Do you know what?—I think it was 28,000 dollars for the voyage, and the owners of the ship paid the factory expenses in Canton.

1785. What was the size of the ship?—Something less than 400 tons.

1786. Were not the freights paid upon that ship particularly high?—They were considered very high.

1787. Do the American ships go to Whampoa?—They do.

1788. Do they invariably go there?—Not invariably; some of the ships stop at Linten and put their specie on board of another ship that is going up, and go over to Manilla for rice or some other cargo, and return while the cargo is getting ready.

1789. Is not the course of trade, in such cases where there are cargoes on board, to make arrangements with the Hong merchants for the purchase of them?—I never heard of it. I believe that the goods have to go up to Whampoa before they can sell them; except the article of opium, which is not allowed.

1790. Is not the practice of the American ships to discharge part of their cargoes before they go to Whampoa?—No.

1791. Do they break bulk?—Generally not.

1792. Are there exceptions?—There are some exceptions.

1793. How does the cargo so discharged find its way into China?—By the agency of the American merchants there.

1794. Not of the Hong merchants?—I think not.

1795. Are not you aware that there is a considerable amount of contraband trade carried on through the means stated in the previous question?—In the trade of opium there is considerable.

1796. The question refers to other articles besides opium?—I know there is some, but I cannot tell the amount.

1797. You are aware that a considerable number of ships proceed from ports in Great Britain to China laden with British goods; how are they disposed of?—They are generally sold to the Hong merchants and other merchants.

1798. Are they discharged in the river below Whampoa?—I believe they are generally discharged at Whampoa. I cannot say that it is universally the case.

1799. Is it not within your knowledge that all private resident

agents are connected with the illicit trade in China?—I think they are not. I think Mr. Cushion is not, and some other merchants. I never myself had any thing to the amount of £100 smuggling on board of my ship, or any illicit trade.

1800. Do you not believe that the smuggling trade is carried on to a great extent from ships bearing the American flag going to China?—Excepting in opium, I do not think it is to much extent.

1801. If you agreed to receive goods on freight in your vessel of 397 tons, for how many tons could you obtain payment?—About 600 tons.

1802. What would be the result in a Dutch vessel of 397 tons?—They carry about as much as our ships.

1803. In an English ship what would it be?—I should think the English ships generally carry better.

1804. In what proportion?—Perhaps something like ten per cent.

1805. You are speaking of English merchant vessels, and not of the Company's vessels?—Not the Company's vessels.

1806. Do you consider your property as secure in your vessel, navigated by eighteen men, as in a Dutch vessel navigated by twenty-seven men?—Much more so.

1807. From whence does that arise?—I think we have smarter seamen.

1808. And should you say the same in reference to an English vessel navigated by twenty-two men?—I think we are equally safe. I think the price of the premiums would answer that question better than any thing else. There are no ships that sail that are insured so cheap as the American, particularly to the East-Indies and China.

1809. What reason have you for believing that a vessel would be as secure navigated by eighteen Americans as by twenty-two English?—If an American ship-master is known to get intoxicated they will not insure his vessel; consequently, he must be a respectable man, and he frequently has the management of the business; but I believe in most other ships you find there is not so much attention paid to the capability of the master and officers.

1810. Do you know the rate of insurance in London as well as in America?—I do not.

1811. You have stated the prices of the several denominations of teas in China; are you not aware that there are many gradations of character in all the denominations of teas, such as congo and bohea, and other sorts?—There is quite a difference.

1812. To what quality do the prices you have given apply; to the best or the lowest quality?—To about the middling quality; not to the meanest or the best.

2 Mar. 1830.

Capt. A. Coffin.

1813. You have stated, that in your purchases of teas you have seen the Company's mark covered over, and that you have bought those teas?—Those teas have been shipped in American vessels which had been termed by the Hong merchants Company's teas.

1814. Are you aware that the Company's teas undergo a very strict inspection?—I believe they do: I am not particularly acquainted with the manner of that inspection.

1815. What must you then have inferred from the Company's mark being on the teas; should you not infer that they were rejected teas?—I do not think they were: I think it was that the Hong merchant, wanting some ready money, found the easiest way to realize it was to sell the teas to the Americans.

1816. Are you able to state whether the Company pay ready money or not?—I believe they generally pay a part in merchandize.

1817. Are chests that have the Company's mark upon them preferred by you to those that have no such mark?—Not except the tea is actually better. The Company's tea, I believe, is generally considered better, or it bears rather a higher price than the other teas.

1818. Are you a judge of the article of tea yourself?—I cannot say that I am a judge of it; but so much so, that I have been trusted with the buying of two cargoes.

1819. When you say the Company's teas are supposed to be better, do you apply that to all kinds of teas?—Not to the green teas; I had reference to the black teas, the souchongs and congos.

1820. What was the result of your adventure, that you gave an account of, to Amsterdam?—The two first voyages, in 1822 and 1823, were profitable: the other merely gave the ship a freight; there was no loss on it.

1821. Can you state how much was the per-centage of profit upon the two voyages?—I cannot tell; perhaps something like 20 per cent. upon the whole investment.

1822. Has there been any continuance of that trade?—I have not been in that trade since.

1823. Why did you not continue in that trade?—It was found not so profitable, and we entered into a trade with other parts of India.

1824. Can you state whether any other ships sailed about the time you speak of?—There were several, but I cannot give the result of the voyages.

1825. Who was the owner of your ship?—Theodore Lyman, of Boston.

1826. What was your last voyage?—To Siam.

1827. Is the tea you purchased for the Dutch market, in

general equal or superior to what you purchased for the American?—We generally endeavour to get better tea for the Dutch market than for the American market: tea that is selected for the Dutch market. 2 Mar. 1830. — Capt. A Coffin.

1828. Is it better or worse than that usually selected by the Company for the English market?—I should think it is nearly the same quality.

1829. What was the proportion of tea to the other articles in the return cargo?—About three-quarters of the amount of the whole invoice has generally been teas.

1830. And how much in bulk? – Nine-tenths of the bulk.

1831. Had you not some other articles besides tea? - Yes, manufactured silks, nankeens, cassia.

1832. If a ship were laden with tea entirely, would not a large ship of 1200 tons be preferable to stow tea-chests only?—Generally a ship, as she increases in size, will stow more according to her tonnage than a small vessel.

1833. How many pounds of tea do you calculate a ton to carry?—I should think between 700 and 800; but the chests are all about an equal size, and we count ten chests to measure a ton. It does not vary much from forty cubic feet.

1834. Are not the duties at Canton much larger in proportion upon small vessels than upon large?—They are; and, I believe, they are the same on all: they are classed in three different classes, the first, second, and third class.

1835. Are you or not of opinion that a ship of 500 or 600 tons burthen, with reference to the bars and shoals in the river of Canton, and approaching the river, is much better adapted to the trade than a ship of 1200 tons, which draws so much more water?—There is little or no risk till she gets to the bars in the river: then there are two bars, which the Company's ships generally go below before they load entirely; they take in part of their cargo at Whampoa, and then proceed down the river to the second bar to load.

1836. Are not ships of 600 tons able to go up to Whampoa and take in the whole of their cargo there?—A ship of 600 or 800 tons might do it.

1837. Were you at Canton in the year 1821?—I was not.

1838. Did you go in 1822?—I did.

1839. Did you hear whether, in consequence of the event you have mentioned of a woman being killed by an Italian sailor, the Americans were not treated exactly the same as they had been before?—I have not heard that it has injured the character of the Americans.

1840. Is the American flag hoisted at the consul's house at Canton?—I believe not since the fire in 1822, when the flag-staff was burnt down. There is a flag-staff that stands out in

2 Mar. 1830.

Capt. A. Coffin.

front of the factory, where it is hoisted, but I believe it is not universally flying: if there is a consul there, it is optional with him whether he will hoist it or not.

1841. Does he hoist it?—I have seen it hoisted, and there have been times when it has not been hoisted; but it is left at his own option.

1842. Have you heard of any mutinies on board the American ships in the Canton river?—I have, among the sailors.

1843. Did you ever hear of any authority interfering for the purpose of settling any thing of that kind? I never knew any authority interfere; it is generally managed among the other Americans.

1844. Had they any communication with the authorities?—They had no communication with the authorities. I never heard that the Chinese would interfere in case of any difficulty on board a foreign ship.

1845. Have you never heard that the Company's Factory there have communications with the government?—I cannot say whether they have or not.

1846. You know that the Americans have not?—I believe they have not.

1847. Do you know whether there was a trial of the Italian sailor?—I believe there was no trial. The Americans refused to give him up, and consequently the trade was stopped. The Hong merchants wishing that the trade should go on, had told the captain and supercargo of the ship that if they would give the man up to go to Canton to be examined he should be returned again, and the Hong merchants said that the Mandarins had promised that that should be the case; consequently the captain and supercargo allowed the man to go down, and in a few moments after he landed at Canton he was strangled, and they sent word that they could take him away and bury him.

1848. Had the captain and the supercargo no reason to suspect that he would not have a fair trial?—They had no reason. The Hong merchants said that they were deceived by the Mandarins. A few days after that the American trade went on as usual.

1849. Do you suppose that they were not before aware of the nature of Chinese justice; that they did not know that they were not perfectly just, like other nations, in their trial of prisoners?—I believe the captain and the supercargo of the ship had no doubt but that the man would be returned to the ship again after he was examined.

1850. Is that fact now pretty well known among the American ship-owners?—Yes.

1851. It is presumed that they do not continue in their former ignorance with regard to the Chinese modes of justice?—No, I suspect not.

2 Mar. 1830.

Capt. A. Coffin.

1852. Do you know of the agreements made with respect to the purchase of teas by Americans being regulated by the price given by the Company?—I have no knowledge of any such transactions.

1853. Do you think that a trade with an assorted cargo could be carried on with any thing like the advantage of a trade in which the outward cargo consists of dollars?—I believe the Chinese like dollars better than they do almost any thing else.

1854. Have not the Americans carried on that trade almost entirely since?—Mostly: some of our ships have taken British manufactures.

1855. Have they found themselves the better for it?—I cannot say, having myself nothing to do with those transactions. Merchants generally keep those things pretty much to themselves, particularly if they are making a profit; and if they are losing, they say little about it.

1856. Do you know that that trade has been a losing trade?—I do not know whether it has been a losing or a profitable trade. I have frequently heard it discussed.

1857. Can you say, when it was discussed, whether it was said to be a losing or a gaining trade?—There is a house which is remaining out there which has received a good many British goods from Liverpool Mr. Dunn is the agent there; and I think they must have made it profitable, because they still continue to carry it on.

1858. In the discussions at which you have been present, have not you heard that it was a losing trade?—Latterly they have said that there has been little or nothing gained by it.

1859. Has there not been something lost?—I cannot say that there has been much lost in the trade.

1860. Do you not believe that it has been a losing trade?—I do not think it has, generally speaking.

1861. Do you know why it has decreased so much?—In the article of British manufactures I do not think the trade has been decreased: to the best of my knowledge, there have been as many British manufactures sent out in American ships the last three or four years as the three or four years previous.

1862. Have they been sold?—I cannot say, not having been there the last three or four years.

1863. Have you never heard it discussed whether those goods did find a market at Canton?—I know that a considerable quantity has found a market; whether all that has been carried out, I cannot say.

1864. Did you not hear that it was at very low prices?—I cannot say whether the person was making a profit or loss: at the time I was there it was considered profitable.

1865. When were you there last?—In 1824.

2 Mar. 1830.

Capt. A. Coffin.

1866. Since that time have you heard the matter discussed? —No.

1867. Then you cannot say whether it has been a losing trade since that time?—I can say nothing upon that.

1868. Is there any article of manufacture in the United States which is calculated for the India or the China market?—There is the article of white cotton goods.

1869. Has that been sent out in large quantities?—There have been considerable shipments made to China.

1870. Did it appear to you that the Chinese government was anxious to increase its foreign trade?—I believe they are aware of the advantages of a foreign trade.

1871. Do you think they would be as desirous as America, or England, or Holland would be, to increase their foreign trade?—I should think very likely they would. They seem to be aware of the advantages of a foreign trade as well as other people.

1872. Have they any shipping carrying merchandize to foreign ports of Europe or America?—Their shipping carry merchandize, but not to Europe or America

1873. Do you believe that if the demand for fine teas increased, the supply could be readily brought up to reach such demand?—I cannot answer that question, having so little knowledge of the way in which the teas are manufactured.

1874. Do you believe that an additional number of ships trading to Canton would lower the profits so much as to render the trade a bad one to carry on?—I should think a considerable increase of trade there would lower the profits.

1875. Are the American traders to China alarmed lest the British trade with China should be thrown open to the public? —I think not.

1876. Have you been at Sincapore and Siam?—I have.

1877. Have you found any quantity of Chinese junks there? —At Siam a large quantity.

1878. What quantity have you ever seen there at one time? —I should think eighty.

1879. Of what size?—Some of them would carry 700 or 800 tons, and some others perhaps 200 or 300.

1880. Do those junks carry on an extensive trade with different parts of China besides Canton?—They are principally from other parts; very few from Canton.

1881. Do they import teas in any considerable quantities into Siam?—They do.

1882. What amount of teas do you think at any one time you have known to be in Siam, imported by those junks?— That would be a difficult question.

1883. Did you find any Chinese tea there?—A large quantity. I should have no difficulty at any time in loading one, two, or three ships of the size that I had there. 2 Mar. 1830. Capt. A. Coffin.

1884. What quality of tea?—Principally black teas: souchong and congo of very good quality.

1885. Have you ever bought any tea there?—Only for my ship's use.

1886. What did you find to be the price of the same quality of tea, as compared with that which you purchased at Canton?—The price was very little increased above what I could get the same tea for at Canton.

1887. Do you conceive that tea might be imported into England from Siam, or any of the easternis lands, at a cheaper rate than that at which it is now imported from Canton?—I should think not. I should think it would be imported cheaper direct from China, unless there was more carried to those places than was wanted for the supply.

1888. Do you think that the communication from Siam to the other ports of China besides Canton, by means of junks, affords any prospect of a market for British or American goods in China?—I believe by the junks there is considerable trade carried on to all the ports.

1889. Do not some of those junks sail for the provinces of Kiangnan and Fokien?—They do.

1890. Are not those provinces where tea is grown?—I cannot say precisely.

1891. Have you ever been on board of a junk?—Many.

1892. Are you aware that every junk contains a great variety of individual merchants, who carry their investment down, and after disposing of it return to the port from whence they came?—They do: a junk is cut up into small apartments and let out to individual merchants.

1893. From what ports eastward of Canton on the Chinese coast do those junks principally come?—I do not know the names of many of the ports. Chicho is a place of considerable trade; the names of the other places I do not know.

1894. Have you on board of those junks bought or sold any article?—No, I have not.

1895. Then you are not aware how far those individuals are shrewd and keen merchants?—I have traded with the junk people on shore, and they are very keen and shrewd in their trade.

1896. What cargoes do those junks usually take back from Siam and Sincapore?—They take sugar, horns, hides, ivory, and spices; and from Sincapore they take rattans and pepper: whether they take British piece-goods I cannot state.

2 Mar. 1830.

Capt. A. Coffin.

1897. Do you know whether they take any quantity of hides? —A considerable quantity of hides.

1898. You have stated that the Company's large ships are obliged from their size to go below the second bar in the Canton river before they complete their cargo; are you aware whether that incurs a very considerable increased expense in loading the cargo?—I believe it does not increase the expense of loading.

1899. You have stated that you believe opium is the principal thing smuggled by the American ships; when you have been there, have you not seen a number of English opium-traders lying outside the river?—I have seen one or two, not a number; I think at one time I saw three English opium vessels lying there.

1900. From what you saw when you were there, do you consider there is more opium smuggled by the Americans than by the English?—I think there is more by the English: we have generally only one vessel, and the British have two or three.

1901. You have mentioned an unfortunate occurrence which happened with reference to an Italian at Canton: since you knew any thing about Canton, have you ever heard of any similar occurrence with any American ship?—I never have

1902. Has any other occurrence ever taken place to stop the trade at Canton?—Not with the Americans; I believe with the English an occurrence did take place of some man-of-war, some frigate, killing some men: they wanted the other men sent out; some two or three men that were killed by the British frigate.

1903. Did that stop the American trade?—It did not stop the American trade, but the Company's servants left Canton, I believe, on account of it.

1904. Is it not the fact that they would not deliver them up, and that they succeeded in their opposition to that demand?—They did.

1905. What is the name of the port in Siam to which you have referred as being resorted to by the Chinese?—Bankok.

1906. What goods do the Chinese junks generally take there from China?—They take teas, and earthenware, and preserves.

1907. Much tea?—Considerable quantity of goods.

1908. Were those junks Chinese junks, or Cochin-Chinese junks?—Mostly Chinese. Last year there were no Cochin-Chinese, in consequence of difficulties between the Siamese and the Cochin-Chinese.

1909. Has the number of Chinese increased of late years at Bankok and Sincapore?—I cannot say whether they have or not.

1910. As you had no supercargo on your second voyage, did

you find any difficulty in making your selections of teas?—Not any. 2 Mar. 1830.

Capt. A. Coffin.

1911. In what way did you proceed to make those selections?—I opened a number of chests of each chop, and by having a parcel of cups, weighed a certain portion, and drew the tea by putting boiling water on it. One method of trying the quality of tea is by rubbing it in the hand.

1912. You do not think any difficulty would be found by any person conversant with the trade in making those selections?—Not more than other articles of trade.

1913. When you spoke of tea being brought cheaper direct from Canton to England, than if it came through the circuitous channel of Sincapore did you at that time contemplate the prices at which it is sold by the East-India Company, or the prices at which it would be brought by other traders?—I looked at the prices now paid by the East-India Company.

1914 Have you never heard that the Americans applied to the Company's Factory to aid them in their intercourse with the Chinese authorities?—Not to my knowledge. They may have done so, but I never heard of it.

1915. Have you made any computation of the amount per pound of the freignt of tea in your vessels?—I have not. I should think about four or five cents would be a fair freight per pound; that is about 2½*d.*

1916. You said that your cargoes to America were principally black tea; have you found the importation of black tea the most profitable?—Not for the American market; but the black teas were selected for the Dutch market.

1917. When you spoke of the rate of insurance being lower on American vessels than on British, did you mean the insurance in America?—I meant in America only. I presume it would not be less in England.

1918. You were understood to say, that that insurance would depend upon a knowledge of the character of the person that should have the command of the vessel?—Considerably.

1919. And, of course, that knowledge could be better obtained as respecting an American, than as respecting any foreigner in America?—Certainly.

Jovis, 4° *die Martii* 1830.

Mr. JOHN AKEN called in, and examined.

1920. You reside at Wapping?—I do. 4 Mar. 1830.

Mr. J. Aken.

1921. You were formerly master of the Investigator, a discovery ship?—I was.

1922. After that did you command a ship trading between India and China?—I did.

4 Mar. 1830.

Mr. J. Aken.

1923. What was the name of that ship?—The Exmouth.

1924. How many voyages did you perform in the Exmouth between India and China?—Two.

1925. In what years?—In 1817, 1818, and 1819.

1926. What did your cargo consist of to China?—Principally cotton; there were also opium, and putchick, a species of dye, I think, for the nankeen.

1927. Is it a vegetable or a mineral dye?—Vegetable.

1928. Do you know whether that dye is used any where but in China?—I cannot say. The other articles were steel, nutmegs, cloves, rattans, and saltpetre.

1929. What was the sort of steel that you took?—It is generally the cast steel; it is sometimes blistered steel: we took both kinds of steel.

1930. Was it in the manufactured articles?—No, in small bars.

1931. Was that steel the produce of India?—No, imported into Calcutta from England.

1932. Through whom did you generally transact your business at Canton?—The Hong merchants.

1933. Did you ever find any difficulty in trading with the outside merchants?—Not the least.

1934. You have often traded with them?—With both.

1935. In what way do you select the Hong merchant with whom you shall trade?—We generally, on our arrival, agree with those that will give us the most for our cargo, and the person that takes the cargo is the person that becomes security to the government.

1936. Did you give him any advantage in your dealing to induce him to become the security merchant?—Nothing.

1937. Do you pay him any fee?—None.

1938. Do you find that some of the merchants are always willing to become security for the ships arriving there upon those terms?—Always.

1939. What was the size of the Exmouth?—695 Calcutta tons; in English measurement she was 725.

1940. What is the reason for the difference between the Calcutta and the English measurement?—I cannot say that: it is some little difference in taking the length of the keel.

1941. In what way do the Chinese measure the vessels?—The Chinese measure the vessels from the centre of the mizenmast to the centre of the foremast, and they take the extreme breadth close behind the mainmast, and multiply them together, and divide the product by ten to give the measurement.

1942. Are all the charges excepting the cumshaw paid upon a ship in the port of Canton, proportioned to the size of the

ship?—I think they are; there may be some little difference, but it must be merely casual expenses.

1943. Will you state what the cumshaw is?—The cumshaw is a present.

1944. What does it amount to?—1,950 dollars.

1945. Is that the same upon all ships?—It is.

1946. Do you know when that cunshaw originated?—In 1704.

1947. Do you know at whose instigation it originated?—I have often heard it said, both in China and in India, that the supercargoes gave this to the superior Mandarins, to induce them to show them favour, which they supposed they had some profit by: it has continued, and now it has become the law there; they demand it from all ships.

1948. Do you know whether that present is paid to the government or paid to the individual Mandarins?—I think it is principally amongst the Mandarins: but there is a part of it goes to government, and then it is divided amongst the different Mandarins. All the officers in China are called Mandarins.

1949. Are there not other duties paid there for the compradore?—The compradore has his fees; his fees are generally 300 or 400 dollars; but there is a sum paid to the compradore, for different duties, which I am not acquainted with. The compradore's altogether generally amounts to nearly 2,000 dollars.

1950. Does that sum of 2,000 dollars form a part of the port charges at Canton?—It does.

1951. What was the whole amount of the expenses of the Exmouth at Canton on each voyage?—About 9,000 dollars.

1952. In what year was that?—That was in 1818 and 1819.

1953. To whom were the goods that you took out to Canton sold?—I sold them to the Hong merchants.

1954. Was any charge made for commission by the Hong merchants?—Not any.

1955. Do the outside merchants charge any commission upon sales and purchases?—None at all.

1956. Have you ever consigned any part of your cargo to resident English or other foreign merchants?—Yes; to the American consul.

1957. Can you state the amount of his charges on that consignment?—Three and a half per cent. on the sale price at Canton.

1958. What was the charge of the American consul for negociating bills?—One per cent.

1959. What was his charge upon goods purchased?—Two and a half per cent. upon the invoice price.

1960. Do you consider the charges on shipping at Canton to be high or otherwise?—I think they are very moderate, con-

4 Mar. 1830. — *Mr. J. Aken.* sidering that there is no more paid for a rich cargo than for a vessel arriving in ballast. It is no matter what cargo you take there, the same duties are paid; if you take a very rich cargo, the duties come to very little indeed.

1961. The port charges, then, do not vary in proportion to the value of the cargo, but only to the admeasurement of the ship?—That is all.

1962. Is there or not a facility in transacting business in the port of Canton? – Great facility.

1963. Do you conceive there is as great facility in transacting business in the port of Canton as in any other port with which you are acquainted?—I think more.

1964. As much as there is in India?—A great deal more.

1965. Is there as much facility in transacting business in Canton as in ports in England?—Yes, and a great deal more.

1966. Why is it that you should say there is more facility?—You have nothing to do but with one man, and when you once get your bargain made you have no trouble whatever.

1967. Are the cargoes of ships easily discharged?—Very easily. We do not lie very near to Canton; we are about eight miles from Canton, at a place called Whampoa.

1968. Then they are discharged by means of lighters?—They are.

1969. And loaded in the same way?—Yes.

1970. Do you conceive that the Hong merchants are liberal in their dealings or otherwise?—Very liberal.

1971. Should you place confidence in their honesty and honour?—I have every reason to believe they are honest in every respect.

1972. Do you find them cautious in making their bargains?—Very cautious.

1973. Did they adhere to those contracts which they entered into?—Yes; I scarcely ever knew of any person ever suffering by them at all.

1974. What should you say, in that respect, with regard to the outside merchants?—The outside merchants are people that you can scarcely ever tell what character they are of, unless you have dealt with them once or twice; if you deal with a stranger you may be minus, and it often requires caution.

1975. It is presumed that the outside merchants, like other merchants, contain an admixture of good and bad?—No doubt.

1976. And some of them are very respectable?—They are.

1977. Would you as soon deal with an outside merchant as you would with a Hong merchant?—No, I would not.

1978. Supposing you had dealings with an outside merchant, and found him to be a man of respectability, you would then

have no difficulty in dealing with him?—Not the least; there are many of them that I have dealt with, that I would as soon deal with as any persons.

4 Mar. 1830.

Mr. J. Aken.

1979. Do you consider the navigation to Canton easy?—Very easy.

1980. Have you ever had any unpleasant occurrence with your crew when at Canton?—Not any.

1981. What was the description of your crew?—Lascars, and some Europeans.

1982. Of what nation?—A mixture of almost all nations; some Portuguese, and some Spaniards, and some Englishmen. We generally took six Europeans in the country ships just for steering the ship, what they call sea-cunnies. I had six young men with me that I took from here as apprentices, who acted as mates or midshipmen.

1983. Were those young men Englishmen?—They were Englishmen.

1984. Are the sea-cunnies Europeans?—They are some of them Portuguese Indians.

1985. Are they not all Indian Portuguese?—Some of them are European Portuguese.

1986. Should you not think a mixed crew of that kind quite as difficult to manage as a crew consisting of English sailors?—No, I do not think they are; English sailors would be worse to manage, I think.

1987. Should you imagine that, with proper care and attention, whatever might be the crew of the ship arriving at Canton, there would be any reason to apprehend any impediment to the trade on account of the conduct of that crew?—Not the least.

1988. Have any difficulties been encountered on account of the present freedom of trade between India and China in the port of Canton?—Not any.

1989. Do you conceive there would be any reason to apprehend difficulties, provided the trade between England and China was as free as the trade between India and China?—Not the least. The Company's ships are all navigated by Englishmen, and the Americans are all navigated by their own people, and I have never seen much difference between the American and the Company's seamen.

1990. Do you imagine that the English seamen are inferior in point of character and conduct to the American seamen?—I do not see much difference.

1991. Have you carried opium to China?—Yes.

1992. Can you state any quantity that you have ever carried?—I have carried about 100 chests.

1993. Is that opium smuggled into China?—It is.

4 Mar. 1830.

Mr. J. Aken.

1994. Who takes the risk of the smuggling?—The person to whom we sell it.

1995. To whom is it commonly sold?—It is generally sold to outside men.

1996. Do the Hong ever purchase opium?—I believe not.

1997. Do you know how the outside merchant introduces it into China?—I am not acquainted with that.

1998. Is not it a fact, that they bring the boats alongside, and then it is thrown out of the ship into the boats?—Yes. When I sold my opium I gave an order upon the chief officer to deliver it, but the person to whom I sold it takes the risk entirely in taking it from the ship; he pays me for it before he gets the order.

1999. What does he generally pay you with?—In dollars or Sycee.

2000. Do you happen to know the method by which the opium is smuggled into the country?—They take it from alongside in smuggling boats that are well manned and armed, and there are a great many rivers, branches, and islands and different places, and they put off directly with it, and they set all the government boats at defiance. I have seen that myself. I have seen four mandarin boats surrounding my ship when I had thirty chests of opium to smuggle, and I was prevented from going to sea on account of the opium, and I sold it to the people. I went down myself and saw the way that they smuggled it. They stripped the chest entirely away, and took nothing but the opium, and put it into the bags, and we open the lower-deck port, and in one moment they put the opium into the boat, and all hands are off in a moment. We did that in a very heavy shower of rain. There was a cry out about three minutes afterwards, but the boat was gone like a shot.

2001. Were the mandarins' boats lying near?—One was lying a-head touching the ship, another was lying at the stern, and another was lying upon the opposite side.

2002. They were there to prevent smuggling?—Yes.

2003 Do you obtain greater or less price for your opium in proportion to the degree of vigilance of the mandarin boats?—No, I never knew any difference made on that account.

2004. If the mandarin boats had not been there, should you have obtained a larger price?—I do not think we should have got more. They always make certain of it; and it always struck me, that there was an understanding between the smugglers and the mandarin boats: there is an apparent vigilance kept up which has no existence in my opinion. I have been told so by a number of people.

2005. Might not other commodities, of small bulk, be intro-

4 Mar. 1830.

Mr. J. Aken.

duced into China by the same means?—I should think they could, very easily.

2006. Do you happen to know whether it is a practice with regard to any other commodities except opium?—Saltpetre, which is a bulky article, is smuggled. I used to smuggle it myself; at least, I carried it there, and it was smuggled by the people to whom I sold it.

2007. Is saltpetre a prohibited article in China?—No, you can sell it to the government if you please; but we cannot sell it so well to the government. We can generally get about two dollars a pecul by smuggling it.

2008. Is that on account of the duty paid to government?—I think it is.

2009. Have you known of any other article being smuggled?—I think sometimes broadcloth is smuggled.

2010. By the Americans or the English?—By the English. I once carried two bales of cloth, and it was smuggled, I know; but wherefore I cannot say, because it did not belong to me.

2011. Do you happen to know whether the cargoes of goods which go from England on board of the American ships are introduced into China legally, or are smuggled?—I cannot say; but I really believe that they are introduced legally, because I have been acquainted with so many American supercargoes, that I think I must have heard of it if it had been otherwise.

2012. With respect to the opium that you carried out to China, was that purchased at the Company's public sales?—Yes, at Calcutta.

2013. Can you state with respect to the value of the opium, whether the Malwa opium is better than that grown in Bengal?—The Patna opium is the best.

2014. What is the next in point of quality?—I believe the Malwa they like the best in China. The Turkish opium has come there within these last ten years, and is likely to supersede the Bengal opium. The Chinese did not like it in the first instance, but I believe now they are more reconciled to it, they like it equally well, and it is much cheaper. That has done a great deal of harm to the sale of the Bengal opium.

2015. Is any Turkish opium introduced through any of the Company's ships into China?—Not unless it is smuggled.

2016. Should you reckon the Malwa opium the least good of those you have mentioned?—I know nothing but of the Patna opium; that was the only opium that I had any thing to do with. We generally used to buy it in Bengal from 1,900 to 2,000 rupees a chest; and we generally used to get 1,200 to 1,400 dollars for it in China, sometimes 1,500 dollars.

2017. Is the opium sold at Bombay lower in price than that sold at Calcutta?—I believe it is.

4 Mar. 1830.

Mr. J. Aken.

2018. Are you not aware that all the opium which comes from Bombay is Malwa opium ?—It may be, and I dare say it is; but I am not acquainted at all with Bombay. I have been very little on that side.

2019. Where did you effect your purchases of opium in India for the China trade ?—They were generally made at the Company's sales.

2020. Are those purchases made avowedly and openly for the China trade ?—I believe so. We clear out with the opium in the ship. It is well known by the Company that we take it to China.

2021. Do the opium chests bear the Company's mark ?—Yes.

2022. Before they are sold in China, is the opium changed from those chests into any other packages ?—No, they are sold in the original packages.

2023. Are they sold in China in any mode of packing bearing the Company's mark ? – Yes, they are sold with the Company's mark on them in China.

2024. Is the Company's mark upon the chests of opium, or upon the packet of opium ?—Upon the chests. They strip the chest way entirely when they take it away, and throw it overboard; and it is then put into bags.

2025. Then nothing bearing the Company's mark goes ashore in China ?—Nothing at all: we strip it and throw the chests overboard, and destroy them as soon as we can.

2026. Then the purchaser looks at the mark, and it gives confidence to him ?—His confidence is generally placed in the seller.

2027. Is not the opium sold at the Company's sales made up in bales of the most convenient size and shape for smuggling into China ?—Yes, it is.

2028. Have you ever purchased any tea at Canton ?—I have, both black and green.

2029. From whom have you purchased it ?—Both from the Hong and the outside merchants.

2030. Have you ever found any difficulty in getting the tea you wanted to purchase ?—Not the least.

2031. Is not there a certificate given in the opium chest, containing the name of the Company's opium agent and a statement of the weight ?—There is; that is in the inside of the chests.

2032. Is that certificate communicated to the Chinese merchants who deal in the opium ?—No, the person that purchases it never looks at it at all; but I remember seeing them broken

open, and I remember seeing a paper of that description in the inside of the chest. 4 Mar. 1830. Mr. J. Aken.

2033. Is the tea purchased as you have described packed and sent on board by the merchant of whom it is purchased?—It is.

2034. And that merchant is responsible for the quality of the tea so sent?—When I have been purchasing from an outside merchant, I have generally wished to have the chest opened here and there; and he has been always very willing to do so, to examine it.

2035. Did you ever find any chest of tea inferior in quality to the sample which you have purchased?—I never did.

2036. Do you know whether any custom prevails in China of returning two chests for one, where an adulterated chest of tea is given to the purchaser?—I have not heard of that; I have heard that there have been some tricks occasionally, but I believe in a very trifling degree.

2037. Do you conceive the tea that you purchased at Canton was as good, in proportion to the description of the tea, as that which you purchase in England?—Equally so.

2038. What have you paid for the gunpowder tea at Canton? —From 60 to 65 Spanish dollars for the best, per pecul; gunpowder tea can be got for less.

2039. And what for the best black tea?—The best black tea, from 40 to 45.

2040. How do you generally pay for that tea?—We sometimes pay for it in barter, but generally in dollars.

2041. Do you buy it cheaper when you pay for it in dollars than when you pay for it in barter?—That is a matter I can hardly say, because when you pay for it in barter, you can hardly put the dollars in competition with it.

2042. You do not find it difficult to take tea in exchange for goods from the merchants?—No, very easy.

2043. In the year 1819, could your ship have been chartered from Canton to some port on the continent of Europe, if you had been permitted to do so?—Yes.

2044. Would that have been a profitable voyage to the ship? —Very profitable.

2045. Who would have taken up the ship at that time?—A Prussian merchant at Canton.

2046. What would he have paid per ton for it?—£25.

2047. Did you request permission to undertake that voyage? —Yes, I applied to the supercargoes.

2048. Did you obtain that permission?—No.

2049. To what port of Europe was it proposed to charter the vessel?—To Hamburgh, I think.

2050. Is the country trade carried on almost entirely by the free-traders from India and China?—Yes.

4 Mar. 1830.

Mr. J. Aken.

2051. Do the Company take any part in that trade?—I do not think the Company themselves take much part in the trade. The captains of the Company's ships generally bring a great many things from Bengal, Madras, and Bombay, or Penang; they all take in pepper, cotton, and any thing of that kind that they could get, and, I believe, it is generally taken on the captain's account.

2052. Can that trade between India and China be carried on by houses resident in England?—No.

2053. What is the reason why it cannot?—I do not know the Company's reasons; but it is by the regulation of the Company that we can only go to China by license of the Company.

2054. You have stated that the captains in the East-India Company's service carry on some portion of trade on their own account, do you allude to the goods which they take in the privileged tonnage?—I believe that the Company do not send cargoes themselves from those ports, from either Madras, Bombay, or Calcutta, and therefore the captain generally takes in as much as he pleases, without any hindrance whatever. The privilege which the captain and the officers have is at their loading port at Canton from India to England.

2055. Do you know how the officers of the Company dispose of the goods which they import into China under their privilege?—They generally sell them to the Hong merchants.

2056. Have you known any cases in which they have dealt with the outside merchants?—Yes, they deal with both.

2057. Have you known any instance in which the country ships have traded with ports in China to the north of Canton, Amoy, and Lingpo?—No, I never heard of any.

2058. Do you consider that there is much sea risk attending a voyage from England to Canton, if undertaken at the proper season?—No, there is very little risk.

2059. Is there greater or less risk than there is in a voyage from England to Calcutta?—I think there is a great deal less, but that is owing to the navigation in the Hoogley river.

2060. Supposing the freights to be the same, would you rather undertake a voyage from England to Calcutta, or a voyage from England to Canton?—To Canton.

2061. Have you not lived at the Cape of Good Hope?—I have, for seven years.

2062. Did you purchase tea while you were there?—I used to purchase tea for my family use.

2063. At what time did you live there?—From 1821 to 1828.

2064. What did you give for the best black tea per pound at that time?—About three dollars and a half, which is nearly 5s.

4 Mar. 1830.

Mr. J. Aken.

2065. What is the duty paid upon the importation of tea into the Cape?—It is an ad valorem duty of ten per cent.

2066. Was it imagined at the Cape that a considerable profit was derived by the Company from the sale of tea at that price? —I think it is generally believed to be about 100 per cent. after paying all charges.

2067. Do any other parties, except the Company, bring tea from China to the Cape of Good Hope?—No other. About twelve months before I left the Cape there were a few chests brought from England, which the Company could not prevent being landed there, brought in a private ship.

2068. Could tea brought in a private ship from any other place except England be landed at the Cape of Good Hope?—No.

2069. Did you ever apply for a license to export tea from Canton?—Yes, we always applied for our license previously to sailing from Calcutta.

2070. Did you ever apply for a license to export 800 chests of tea to a port within the Company's limits?—Yes.

2071. Was that granted?—No, only for 400.

2072. To whom did you apply?—To the government in Calcutta.

2073. If that license had been granted to you to export tea from Canton to the amount of 800 chests, could you have made a profitable voyage, that being part of your cargo?—Not with 800 chests; but it would have been so if I had been allowed to take any quantity I pleased. In so large a ship as mine, 800 chests of tea would not have been an object, but in a small vessel it might have been a very great one.

2074. Where would you have taken that tea to?—To the Isle of France and the Cape of Good Hope.

2075. But the small quantity you were allowed to take was not a sufficient inducement to you?—No.

2076. Could you carry tea at all to the Cape of Good Hope? —Not at all to the Cape of Good Hope.

2077. Would you have been allowed to take 400 chests of tea to any port within the Company's limits, except the Cape? —Yes.

2078. Is the Mauritius also excepted?—I cannot say. Our license ran thus: "you can take 400 chests of tea in at Canton, to dispose of it at any intermediate ports between this and Calcutta." Now it is a query whether you could make the Isle of France an intermediate port; perhaps it would be out of the way: but that question was brought before the court at the Cape of Good Hope. There was a ship that brought tea there, and she was seized; they gave bond, and afterwards the question

4 Mar. 1830. came before the King in council, and the ship was afterwards liberated.

Mr. J. Aken.

2079. What was the date of that?—I think it must have been about 1823; a ship called the Lady Fora.

2080. Where did that ship bring the tea from?—From Canton.

2081. Was the tea allowed to be sold at the Cape?—Yes, I believe it was sold there. The ship was seized, and the cargo too. She had very little tea in, but she had a great many things that she brought direct from China. The question came before the court, and I was one of the evidence before the court. The fiscal brought a chart, and he asked me if I could make it out that the Cape of Good Hope was an intermediate port: and I asked at what time of the year the ship left Canton, and it appeared that it was the contrary monsoon to come down the China seas, and I said yes; that Captain Balsam, of the Lady Flora, perhaps had come round Cape Horn, and therefore the Cape of Good Hope was an intermediate port.

2082. What was the decision?—They decided against the ship. The ship was seized and her cargo also; but they gave bond, and it was about three years afterwards decided by the King in council, and the ship was liberated again.

2083. Was the cargo allowed to be sold at the Cape of Good Hope?—It was.

2084. Have you ever purchased gunpowder tea at Canton to be sold at Penang?—Yes.

2085. What did you sell that tea for at Penang?—About 76 Spanish dollars per pecul.

2086. Was a profit realized by you upon that sale of tea?—I generally used to make about 15 per cent.

2087. Can you state the price of tea of similar quality at the Cape of Good Hope?—The price of gunpowder tea at the Cape of Good Hope was about six dollars, or nine shillings per pound. Besides the government duty of 10 per cent. the Company pay about five or six per cent. for the auction duties at the Cape. They oblige them to sell all by auction, therefore they collect the duties upon the auction sales.

2088. Then the whole duties paid upon the sale of tea would be 16 per cent.?—That is paid by the Company.

2089. Can you tell what the duties are paid at Penang?—Upon tea I cannot say. I think the people who purchased from me always paid the duty themselves. I believe it is very trifling.

2090. It is not so much at Penang as at the Cape of Good Hope, is it?—Perhaps not so much. 10 per cent. is but very small upon tea.

2091. Is not tea a very common beverage in China?—Yes, the black tea is a very common beverage. Every Chinese house you go into, there is the tea always on a sideboard, as a bever-

age, in the teapot, and you may help yourself to a glass of tea at any time you please; it is always in the room. 4 Mar. 1830. — *Mr. J. Aken.*

2092. Do they drink it without any admixture?—They sometimes have a little sugar, and sometimes not; there are a great many drink it without any sugar.

2093. Do the Chinese drink green tea?—I think not.

2094. Do the neighbouring nations?—I think not. I think they generally drink black tea.

2095. Supposing the trade between England and China were more completely free, do you imagine that the Company would, under the present state of things, be able to carry on their trade?—They might carry it on, but I believe with a loss. I mean so far as regards their present establishments. If their establishments were to be as great as they are at present, there must be a loss.

2096. Could they continue to pay the present amount of freight that they pay between England and China?—No, I do not think they could.

2097. What is the amount of freight?—I cannot say exactly what the freights are, but I know they are much greater than any free-traders can possibly get.

2098. What is the present amount of freight between England and Calcutta?—About £4 to £4. 10*s*. a ton, out and home, with what we call dead weight; heavy goods and light goods. The average of £4 out and £4 home, is the general rate of freight.

2099. Do you happen to know the rate of freight paid by the Company in a voyage from England to Canton?—I do not know.

2100. What would be the rate of insurance upon a ship from England to Calcutta?—I think about three to three and a half per cent.

2101. You have stated that you live at Wapping, what kind of life are you now in?—A sail-maker, ship-chandler, and provisioner.

2102. Have you ever shipped any goods to India lately?—No.

2103. From what source is your knowledge of this freight derived?—I am every day upon the Royal Exchange.

2104. You have stated that you were at the Cape from 1821 to 1828, had you a partner there?—Yes.

2105. What was his name?—Monteith.

2106. What did you deal in principally there?—In India goods principally; we had two brigs that traded between Calcutta and the Cape with India goods.

2107. You have given the Committee information as to the China trade between the years 1817 and 1819; have you had any knowledge of the China trade personally subsequently to the year 1819?—No; I knew very little about it, except from

4 Mar. 1830.

Mr. J Aken.

having seen persons coming past that I have asked questions of, but I had no personal knowledge since 1819.

2108. Do you know Mr. John Bagshaw, formerly of Calcutta?—Yes.

2109. Was he a consigner of goods to your house?—No, he was not.

2110. You had no goods in the hands of yourself and your partner belonging to Mr. Bagshaw at any time, had you?—No.

2111. Had you any dealings with Mr. Bagshaw?—No.

2112. With respect to the tea you saw at the Cape coming from England, what year was that in?—I think it was in 1826, but I am not certain as to that point.

2113. By what ship did it arrive?—I cannot say, but it was consigned to Messrs. Borradaile, Thompson, and Pillans, at the Cape.

2114. Do you know the quantity of tea?—I cannot say the quantity, but I should say twenty chests, or something of that kind; it was but a small quantity.

2115. Had you any means of seeing the quality?—No I had not.

2116. And you have no knowledge what it sold for?—No, I had not the least.

2117. Was not the importation from England of the tea to which you have referred, because of its being of a superior quality to that which usually came from China?—I did not know the cause: they expected they could import it from England, and sell it at the Cape cheaper than what the Company did.

2118. The quality being the same?—The quality being the same.

2119. Do not you know that the usual mode of navigating the country ships is without any Europeans on board, except the captain and the officers?—Both my voyages to China we had two Europeans among the sea-cunnies.

2120. Were they Europeans or half-caste?—They gave themselves out as Europeans, and I believe they were.

2121. Were not the crew all Lascars?—All Lascars.

2122. What sized vessel do you consider most convenient for carrying on the Canton trade?—At that time I think vessels of 600 or 700 tons were the best for that.

2123. You say at that time; has your opinion varied since that time?—No, I have not any opinion different from what I had at that time. I have been told that they do navigate now with smaller ships than they use to do; but my reason for having a larger ship was, that the duties being nearly the same in some things, we reckoned that the expenses were lessened by having them in large ships.

2124. Is there any other duty but the cumshaw which is the same?—I believe nothing but the cumshaw.

2125. To whom did that vessel belong?—The agents were Alexander and Co.; she belonged to me and a house at Liverpool.

2126. In Canton did you do your own business, or was it done by a country agent there?—The first voyage I consigned my ship to the American consul, a Mr. Wilcox; but I found the business so very easily done, that I transacted my own business afterwards.

2127. Do you consider that you could do your business there to the same advantage as it was done by the resident agent?—Equally so.

2128. Did that arise from your own knowledge of the place, or do you suppose that any captain coming there for the first time would do his business there as easily?—I think equally so.

2129. How came you to select an American house; had you any reason for not taking any of the English houses of agency?—There was no English house there. There were Englishmen, but they were under the foreign flag: no Englishman is allowed to remain at Canton.

2130. Do you mean to say there were no English houses of agency established at Canton?—None; they are not permitted by the Company.

2131. Were there not English houses acting under foreign flags?—Yes.

2132. Houses of respectability?—Houses of respectability.

2133. And doing considerable business?—Doing a great deal of business.

2134. Was Mr. Davison there at that time, and doing a great deal of business?—Yes, I knew both the Davisons.

2135. Do you consider that you bought your teas as advantageously as the Company's Factory bought them?—I should think not. I think the Company could purchase their teas cheaper than we could, because they had greater facilities. The Select Committee is there the whole year, and they certainly can purchase their tea cheaper, because they take such large quantities.

2136. So that you think the Company, in consequence of their being such large dealers, can command the article at better prices than individuals?—I think they can.

2137. Does not sometimes the fact of your wanting large quantities tend to enhance the price to the buyer?—No; I cannot say that it does; there generally is a price put upon it after it comes into the Hong, which they do not deviate from. But the Company, I believe, barter a good deal; I have been informed so by the supercargoes.

4 Mar. 1830.

Mr. John Aken.

2138. Do you think the teas are bought upon better terms by being contracted for the year before?—I should think so.

2139. You think that the contracting is a better system with the Chinese than buying upon the spot?—I should think it is.

2140. Do you think the Company gets a better quality of tea than the free-traders?—I think not. I have had my information upon that point from the American supercargoes; and Mr. Wilcox, who was a very well-informed man, told me that he could buy teas of as good quality as any of the Company; he has been frequently there in the Company's stores, when they have been tasting the teas, and he declared to me that he could buy as good teas, and that he had sent to America teas equally as good as the Company's: but what terms the Company have purchased their teas upon, I am not informed.

2141. Is that speaking of tea generally, or black tea or green tea?—Of tea generally. But the free-traders would have a great advantage over the Company, which would more than compensate, I think, by coming cheaper, not having such a large establishment, and having their ships at a less freight. The Company's establishment there is immense, and is a very heavy expense, which the free-trader would not have; and I think the free-trader could come into the market and dispose of all his teas in Europe at a cheaper rate than the Company could.

2142. Do you consider that, as far as concerns the mere dealing with the Chinese, the Company can do it better than individual merchants can do it?—I think they can, under the present system.

2143. Do the Factory, upon the whole, rather impede the private trade, or do they protect and encourage it?—They do neither the one nor the other. They take care that you do not take any more tea from China than your license allows you. You are obliged to report to the chief supercargo the cargo that you bring to China, and also what you take away; and if we do any thing at all derogatory to their directions, or the instructions we receive, they will foreclose the bonds which we are under at Calcutta, which I think is two lacks; a lack for the captain and a lack for the merchant.

2144. Are they at all vexatious in their interference with you?—Not the least; they are very liberal; they behave exceedingly well to all the country captains.

2145. You do not consider them as going out of their way to molest you?—Not at all.

2146. From your experience of the trade of those seas, do you think that if the China trade were entirely thrown open, branches of trade would not spring up which are now kept under by the monopoly?—There is not the least doubt of it. In all the coast of Cochin China I have turned down with the

Exmouth with a foul wind, and I have turned into several fine harbours all the way along the coast; we turned into six or seven different harbours along the coast, and I am sure there might be a great trade carried on if those ports were open: and not only that but with the great islands of Japan, which we have no communication with whatever. I have often thought that if an embassy was sent to Japan, and a favourable result ensued, there would be no doubt an immense trade; for those people are now emerging to civilization, and I have often thought that a very great trade might be carried on there. If an English whaler, by accident, be cast away there, they use them very ill, and murder them generally; but the Dutch carry on a great trade there from Batavia.

2147. When you speak of the monopoly being an impediment, do you mean the restrictions which now exist by law to the free trade in those seas?—That is what I mean.

2148. Do not you think there might be considerable trade with the Philippine Islands?—A great trade might be carried on with the Philippine Islands and the coast of Borneo.

2149. Do not you think that the ingenuity arising from a free exertion of private interest frequently starts means of trade to merchants which were unknown before?—Yes, which had no existence before, no doubt of it; a great deal might be done if the trade were open.

2150. Is there any trade at present between Mexico and Canton?—Not from Mexico, that I know of; but there is a great trade carried on by the Americans from the north-west coast of America to Canton.

2151. Do you know any thing of that trade?—Yes; both the voyages that I was in China several small vessels came there, from 250 to 350 tons, and they had generally furs and some fine oil, which they sold at Canton, and purchased cargoes, and went home to America.

2152. Do you know from what part of America they came? —From Nootka Sound and Cook's Inlet.

2153. Is that trade at present entirely confined to the Americans?—Entirely, because an English vessel cannot go to Canton at all: that was one of the greatest grievances that I saw.

2154. Do not you think that English shipping would, if that trade were open, have the same advantage with the Americans in carrying on the north-west trade with China?—Yes; no doubt about it.

2155. Did you understand that to be a very profitable trade to the Americans?—Yes, very profitable. Several gentlemen that were embarked in the business said it was a very profitable one.

2156. Do you know any thing of a trade between South Ame-

4 Mar. 1830. — *Mr. John Aken.*

rica and Canton, from Valparaiso and Buenos Ayres?—No, I do not. There is a trade from Manilla to Canton; but they seldom go to Canton, they generally stop at Macao.

2157. Was the Company's factory any protection to you in carrying on the trade with the Chinese?—Not the least. If the Hong merchants had been guilty of any fraud, or any thing of that kind, I believe the supercargoes would take it up and assist me in that particular, and perhaps interfere with the Viceroy.

2158. Do you know of any instance in which the private trade derived any benefit from that sort of intervention?—No, I do not know of any.

2159. Did you ever hear that the Americans or Europeans trading to China derived any protection from the Company's factory? —Not the least.

2160. Did you ever know of any case occurring, such as you have alluded to, with regard to a Hong merchant, which required such an interference?—I believe there has been such a thing, but not in my time; perhaps one case may happen in twenty-four years, but I believe it is of very rare occurrence.

2161. You have stated that when you were at Canton there were several Englishmen carrying on trade there as agents under foreign flags; will you state what was the firm of the house in which Mr. Davison was?—Davison and Co.

2162. Under what flag did they do business?—I cannot say whether it was Danish or Prussian.

2163. What other English houses were there there?—There was Magniac's house; I think they were under the Danish flag. I think those were the only two English houses.

2164. Do those English houses do a great deal of business? —A great deal.

2165. Was any of it with Europe, or was it principally confined to the country trade?—There was both.

2166. Do you know whether any of the partners of those houses are now in England?—I do not know.

2167. Suppose you had an opportunity of forming your own design for an adventure to China, and being supplied with means, selected such a cargo as you thought suitable for export, and obtained in return a cargo of tea, do you think you could obtain a more favourable result than the Company now does?—I think I could have a more favourable result, because I can sail my ship cheaper, and I have no incumbrance in China, therefore I could sell my cargo equally as well as they could. I could purchase my teas, perhaps, not quite so well, but I could sell it in England cheaper a great deal than what they could.

2168. Would the difference be great in degree between your

result and the result the Company now obtains?—I should imagine I could make ten per cent. more than the Company now does.

2169. Do you know now what the profit is which the Company makes?—The Company make, I believe, a hundred per cent.

2170. Then do you think that you could make upon an adventure more than a hundred per cent. profit?—No; because if the free trade was open, we should have tea cheaper, and the prices would be much less.

2171. Did you not, in the answer you have given, mean to compare your adventure with an adventure by the Company, in case the trade was open?—Yes, in case the trade was open; not at present; but if the trade was open, I am certain that I could bring that commodity here, and sell it cheaper than the Company could.

2172. Supposing you obtained permission to send a ship in the present state of things from this country to China, what profit do you imagine, with the present prices of tea in the market here, you would realize upon that voyage?—That would be a thing that I could not estimate.

2173. How do you calculate that the Company gain a hundred per cent. profit?—From what I have seen of teas sold at the Cape of Good Hope; and I know very nearly, though not exactly, what they give for them in China, according to what I gave for them myself: they may get them a shade lower, but it is a trifle.

2174. Comparing the prices at the India sales with the prime cost at Canton, should you say that they get one hundred per cent. clear profit, after deducting the charges?—I have no doubt of it.

2175. What, in your opinion, would be the difference in the expense of freight between a Company's ship and such a one as you should think suited to the China trade?—The difference would at least be forty per cent.; I could fit my ship out at least forty per cent. cheaper than the Company do at present.

2176. Then, if the sailing of a ship in the Company's service cost £14 per ton, it would cost you but £10?—Yes.

2177. Is not your assertion, that you could sell cheaper than the Company, founded upon your belief that they make a hundred per cent.?—Yes, it is

2178. In the sort of adventure that has been spoken of, that is of going out to China for a cargo of teas, is there any branch of that adventure in which you think you would have an advantage over the Company, excepting in the article of freight?—No, only in the article of freight, I should think; but I am not acquainted exactly with what the Company take from this country to China; they take lead, broadcloths, and different

4 Mar. 1830.

Mr J. Aken.

sorts of woollens; but it is quite a secret in Canton, we know very little about it.

2179. You have already stated, that you think the Company could deal with the Chinese upon better terms than you could, do you think they would not also provide their money there upon better terms than you would?—No, I do not think they would, because you can draw bills upon any respectable merchant living in London; the Chinese would take them with the greatest ease. In fact, the house of Baring & Co. in London was drawn upon by the Americans on as good terms; at least the supercargoes told me so.

2180. Do not you think the private-trader would discover many articles that would suit the market there, if he was left at perfect liberty, which the Company never dream of?—Certainly, a great many things which the Company never think of.

2181. Do not you think the opening the trade would have the effect of extending the list of commodities in which the trade is carried on?—Yes.

2182. Do you know any reason why the supercargoes at Canton could not find out those articles?—I cannot say why they did not do it.

2183. Have not they, residing there, and having persons in their employment, the very best means of finding out the articles adapted to the Chinese market?—Certainly.

2184. Although the Company's supercargoes are constantly residing there, do you think it probable that the servants of the Company would be as anxious to push their trade as individuals who are trading for their own account?—No, I do not believe it; I think individuals upon their own account would push the trade much more than it is at present.

2185. Are not you aware that the Company's captains and officers are permitted to trade as merchants to China?—Yes.

2186. Why do you suppose individual merchants would be more active than those captains and officers who are merchants?—We can only draw an inference from what has happened from opening the trade with Calcutta; there is an immense trade now carried on with Calcutta, compared with what there was before the trade was opened.

2187. Is it in the power of any Englishman to go into China without leave of the Chinese authorities?—Canton is the only port that is open to trade at all to any person.

2188. Do you consider it possible for Great Britain to permit Englishmen to go into the interior of China?—I have taken Europeans, I have taken a French bishop and his suite, who went into the interior of China; I landed them at Macao, and they were to go into the interior as missionaries.

2189. Are not the Company's servants, who deal in China on

their own account, obliged to confine themselves to the precise voyage which is pointed out by their masters; that is to say, that they can only go where their masters send the vessels to? —Yes.

2190. Have not the private trade, on the other hand, the power of selecting all the different markets, both of the East, and of Europe, and of America?—Yes.

2191. Must not that unlimited range give them a great advantage over the Company's servants, whose trade is so restricted? —Certainly.

2192. Did not your answer relate to the trade in China alone? —In China alone.

2193. You speak of there being six or seven ports in Cochin China which are now frequented; how does the Company's monopoly prevent those ports and places being traded with?— I do not know. The Company has nothing to do with that, it is an arrangement by the Chinese; they do not suffer any other port to be opened but Canton.

2194. Did you mean to say, that those ports to which you alluded are not traded with in consequence of the monopoly of the Company?—No, the Chinese prevent it themselves, and the Cochin Chinese. The whole range of the coast, as far as Siam, is under the Chinese government, but only nominally so.

2195. Upon the occasion when you sailed along those harbours in Cochin China, do you think the native authorities would have permitted you to enter if the Company had given you leave?—That I do not know; I did not like to try that.

2196. Are there not various products of the Eastern Archipelago which are fitted alone for the China market?—There are: there is trepan, which the French call beche-le-mer, and birds'-nests.

2197. Are you aware whether the trade carried on with the Eastern Archipelago in the articles you have alluded to is a considerable trade or not?—It would be very considerable, to small vessels particularly. They could take in those articles I have mentioned, also sandal-wood, which is taken to the Chinese market, and is a very profitable thing.

2198. Are not the country ships of India allowed to trade with Cochin China from Calcutta, so far as the English government are concerned?—At that time they were not: our license allowed us only to go to Canton, and we cannot trade with any other ports, except what our license allowed.

2199. Do not you know that a license could be obtained in Calcutta to trade to Cochin China?—I do not know.

2200. Is a license ever drawn out for a voyage without specifying a particular port?—No.

2201. Do you think you could not have obtained a license

4 Mar. 1830.

Mr. J. Aken.

empowering you to enter any port upon the Cochin Chinese coast?—I have always been given to understand so.

2202. Did you ever get a license to touch and trade at various ports?—No, the license runs thus: to go to Canton, and to touch and trade at any intermediate port between there and Calcutta, outward and homeward; but that is only to the country vessels.

2203. Would that license include the ports on the coast of Cochin China?—Yes; but I have always understood that we could not trade with any port of Cochin China.

2204. That is, that the Chinese government will not suffer it? —Yes.

2205. Are not you aware that the country ships might clear out for any part of Cochin China, if the local government would permit it?—I am not aware of that.

2206. Do not you think there would be much more probability of overcoming the prejudices of the Chinese in regard to intercourse with Europeans or other ports than Canton, if the monopoly of the East-India Company were done away with?—No. If the monopoly of the East-India Company were done away with, it would make no difference whatever, I believe, or alter the Chinese policy at all.

2207. Do not you think that the enterprize of private traders would induce them to go to other ports, and that the Chinese would see the advantage of taking their goods and trading with them?—They might in the course of time, but at present I should think not. An embassy sent into China for the purpose might, perhaps, do away that prejudice, but not any thing else done by individuals.

2208. Do not you think the Chinese would see the interest they had selling their goods?—No doubt they do see it, they know it very well; but the government is so very arbitrary that they cannot do it. The best-informed Chinese that I ever met with, said, that if all the ports in China were thrown open, it would be a great advantage to the Chinese.

2209. Have you heard that opinion generally expressed by the intelligent Chinese?—I have.

2210. As the government seems to possess so little power to put down smuggling, is it not to be supposed that they would not be able greatly to control what is done at those ports?—I believe that is the reason for allowing Canton to be the only port that is open.

2211. What do you think would become of any vessel that went into any port but Canton?—They would imprison the crew, and take the ship away from them.

2212. Although it is a great advantage to the Chinese to trade, you think they would lay hold of the crew of any vessel

that went to seek trade there?—I have no doubt of it, because it is prohibited. 4 Mar. 1830.

Mr. J. Aken.

2213. Has any instance come to your knowledge of any European vessel having gone to any other port than Canton?—None, except Macao.

2214. Have you been much in the way of hearing of instances of the sort, if they had occurred?—I have been in that part of the world upwards of thirty years ago, but I never knew an instance of a ship trading to any other port over which the Chinese had any control whatever.

2215. Might not such a thing have taken place without your knowing any thing about it?—I think I must have known it.

2216. Have you met with a number of Chinese junks in the ur se of your voyages there?—Yes.

2217. Have you ever had any dealings with any of the people in the junks?—No, I never have; but those junks now have found their way to Sincapore. There are great quantities of them come there directly from Canton; and they come, as I am told, from some of the ports of Cochin China to Sincapore.

2218. You stated that the port charges at Canton, excepting the cumshaw, were in proportion to the measurement of the vessel: do you then consider that, except in respect of the cumshaw, there would be no difference in the advantage between navigating a small and a large ship, as far as the payment of the port charges are concerned?—There may be some charges, as far as regards the linguist or the compradore's fees; but, generally speaking, I believer there is no difference except in the cumshaw.

2219. You said, that saltpetre was smuggled into China, because it was sold to greater advantage than if sold to the government: do you mean by that, that the Chinese law forbids the sale of saltpetre openly to any person except to the government?—Yes; they do not allow it to be sold except to the goverment.

2220. Do you conceive that if the Chinese trade were entirely free, it would be a beneficial measure to the natives of British India?—I do not know that it would be more beneficial to them than it is at present, but I think it would be a great benefit to the United Kingdom.

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Die Martis, 2° *Martii* 1830.

The Lord President in the Chair.

THOMAS GORE LLOYD, Esq., and JAMES COSMO MELVILL, Esq., are called in, and examined as follows:

2 Mar. 1830.

T. G. Lloyd, Esq.

356. Is there any point in your evidence which you desire to correct?—(*Mr. Lloyd.*) To the question which was put to me as to the proportion of the territorial advances in England that had been repaid by investments from India through China, my answer was given from an imperfect document.

357. What correction would you desire to make?—I stated in that evidence that the sum of £4,268,122 was a repayment of territorial charges paid in England through investments for China, and that results after deducting the proceeds of commercial exports to India. Considering those exports as applicable exclusively to the India trade, then the total amount remitted through China, from 1814-15 to 1826-7, in repayment of territorial charges incurred in England, is £10,475,141; and the amount remitted in commercial investments from India is £13,862,909, instead of £20,069,928.

358. When the proceeds of the sale of the Company's goods exported to India are received there, are they confounded with the territorial receipts, and placed in the same treasury?—Just so.

359. Therefore, when drafts are made upon the territorial treasury, it is not clear from what fund those drafts are paid: whether from the funds applied for the repayment of territorial charges advanced in England, or from the commercial funds belonging to the Company in its commercial capacity?—There is no distinction kept in our books.

360. In your first answer, you supposed the proceeds of goods sent to India to be invested in India for remittance through China?—Yes.

361. In your answer to-day, you have supposed the proceeds of those goods to be remitted directly from India?—Just so.

362. Can you state the amount of interest demandable in London under the terms of that loan, which gives absolutely to all proprietors of the loan, *bonâ fide* resident in Europe, the option of receiving their interest here or in India?—(*Mr. Melvill.*) £466,945. *J. C. Melvill, Esq.*

363. Of that sum what has been actually demanded in England?—£300,000 in the last year.

2 Mar. 1830.

J. C. Melvill, Esq.

364. Can you state what was demanded in the three previous years?—Of that loan it was much the same.

365. Can you state what is the amount of interest demandble in England during the pleasure of the Company on each of the other loans?—On the loan of 1823 the total amount of interest is £477,568. The option of receiving this in England or in India is granted only to *bonâ fide* residents in Europe. The sum demanded in England on that account in the last year was £125,000. Of the other loan £450,000 is the interest, and which is all payable either in England or in India, at the option of the holders generally, whether resident in Europe or in India; and the amount demanded in England on that account in the last year was £325,000. A considerable amount of debt has been incurred within the two last years, which do not come into this computation.

366. Has the amount demanded in England of the interest of the two loans to which you have last referred increased of late years?—It has.

367. Can you state the amount paid in the three last years?—It has increased, of course, with the increase of the debt, which has been progressive in the last three years; and independently of that there has been a slight proportionate increase in the amount demanded, but not considerable. There is also what is called the Carnatic debt, which is included in the debts at interest. The holders of the Carnatic stock have the option, at their pleasure, of being paid their interest either in London or at Madras. The whole amount of the interest demandable on the amount is £97,000 annually, and the amount demanded has been £94,000.

368. Is *bonâ fide* residence necessary for option in respect of Carnatic stock?—It is not.

369. From what sums have the East-India Company the power of withdrawing that option?—From the five per cent. loan of 1823, the total amount of the interest of which is £477,568; and from the subsequent five per cent. loans, the total amount of interest of which, up to the last account which has been closed, is £450,000.

370. State at what rate of exchange the interest on that first loan to which you have referred is paid in this country?—The rate for the five per cent. loan of 1823 is 2*s.* 1*d.* the sicca rupee.

371. The second?—The rate for the subsequent five per cent. loans is 2*s.* the sicca rupee.

372. Will you calculate the difference between paying the sum demanded under those two loans at 1*s.* 11*d.* and 2*s.* 1*d.* and 2*s.*?—At 2*s.* 1*d.* it would be about ten per cent., and at 2s. it would be about five per cent. on the sums demanded.

The difference would be about £12,000 upon the first of the optional loans, and about £16,000 upon the other. 2 Mar. 1830.

J. C. Melvill, Esq.

373. Has not the rate of exchange risen materially between England and India lately?—There has been a trifling rise, but not considerable; 1*s.* 11*d.* was the last quotation.

374. How low has it been?—1*s.* 10*d.* in India for bills on England has been the lowest.

T. G. Lloyd, Esq.

375. (*To Mr. Lloyd.*) You have stated the amount of the commercial capital of the Company abroad and at home, on the 1st of May 1828 and the 1st of May 1827, at £21,731,869; it appears by a note to No. 25 of the printed papers, that "this balance is subject to reduction by the amount of advances made in India from the territorial branch to the commercial branch in the Indian official year 1827-8. The documents whereby the amount of those advances is to be ascertained have not been yet received from India, but it is estimated they amount to £3,124,900, which will leave a balance due to the Company of £5,017,203, including interest." Will you state why you do not deduct that sum of £3,124,900 from the total of the commercial assets which you stated as £21,731,869?—The question has reference to the debt due by the territory to commerce, which is stated in that account at £8,142,103. If the territory, in the period stated in the note to the account, should have repaid that £3,124,900, and thereby reduced the debt to £5,017,203, assets would appear in that account to counterbalance it. If the debt due by the territory to commerce is so much less, our other assets would be increased.

376. State in what manner?—Either by cash or goods received by investments, or goods in the export warehouses in India or afloat homewards.

377. That is, by the actual receipt in England of the sum which you understand to have been applied to the payment of territorial advances?—Or an issue to the commercial branch in India.

378. At what period was the territorial branch separated from the commercial branch?—(*Mr. Melvill.*) In the year 1814, under the Act of 1813. J. C. Melvill, Esq.

379. Had you any list of heads of what was given to the territorial branch, and what was given to the commercial branch?—A plan was prepared under the provisions of the Act by the Court of Directors, which plan classed the several descriptions of expenditure under the heads of territorial and commercial; and, in obedience to that Act, the plan so prepared was submitted to the Board of Commissioners for the Affairs of India, who had full power to make what alterations they pleased. They altered the plan; and the accounts have been kept as it was finally approved. The plan was laid before Parliament in 1816, and printed.

2 Mar. 1830.

J. C. Melvill, Esq.

380. Will you refer to page 5 of the evidence given by you upon the first day of your examination.* You will see, in your answer to the second question in that page, that after stating that the probable excess of charge over territorial revenue in future years will be £1,478,205, you state that that excess can only be met by a reduction of charge; can you state to the Committee the particular heads on which it is proposed by the East-India Company to make any reduction of charge?—Orders have been sent by the Court of Directors to the Indian governments to effect very extensive reductions in the military expenditure in India, and also for such a revision of the civil charges as may, it is hoped, lead to a material reduction of their amount. Orders have also been sent for the reduction of the establishments of Prince of Wales' Island, Sincapore, and Malacca, from a government to residencies; and orders have likewise been given for a large reduction of the expence of St. Helena.

381. Are there any documents which will show the particulars of reduction under each of those heads of charge?—I apprehend, if the Committee were pleased to call for an estimate, that such a document could be prepared.

382. Can you state to what amount those proposed reductions come in the gross?—I am not prepared at present with the particulars. I know that the military reduction was supposed to amount, when it all comes into effect, to nearly a million sterling a year; but that is, of course, in a great measure, prospective. The officers who are to be reduced are to be seconded, and die off.

383. Can you state whether, upon the whole, the proposed reduction would bring the charge within the actual receipts of the territorial revenue?—I think there is reason to believe, from the measures now going forward in India, and from the effect of the orders I have explained, that in time the charges will be reduced sufficiently to bring the expenditure within the income.

384. When you speak of "in time," to what period do you look forward?—I refer principally to the military reductions, which will require five or six years before the supernumeraries can be absorbed by the occurrence of vacancies.

385. Can you at all speak to the amount which is proposed to be reduced in the civil charges?—No; I am not at present possessed of materials to enable me to furnish that information.

386. Can you say what proportion of the increased charge of articles which you have enumerated in the fifth page of your evidence will be of a permanent, and what of a temporary nature?—I felt, in answering that question upon the former

* See page 3, question 15.

occasion, that I had no other means of forming a judgment than that which the official estimate presented. 2 Mar. 1830.

J. C. Melvill, Esq.

387. In that calculation of the charge for the year 1828-9, to which you refer in your answer, have yon included any charges of a temporary nature, and to what amount?—Certainly not; unless your Lordships consider that portion of the military charge which is included in that estimate, and which has been ordered to be reduced prospectively, of a temporary nature.

388. There is no charge in that account which is for this year, and for this year only?—I am not aware of any.

389. Do you know the amount of the arrears now payable by the government of Ava?—There has been received altogether £739,149; namely, £553,139 in 1826-7, and £186,010 in 1827-8. The remaining sum is £420,851; whereof £208,800 was expected to be secured in 1828-9. There will then still remain due £212,051.

The witnesses are directed to withdraw.

THOMAS FORTESCUE, Esq. is called in, and examined as follows:

T. Fortescue, Esq.

390. You have served in the civil service in India?—I have.

391. What situation did you last hold?—Commissioner of Delhi.

392. Can you state the population of the district which was under your charge?—It is now nine years since I left it. The number is probably on record in some of my reports. I cannot distinctly state the number, but I should suppose near a million.

393. What revenue was collected from that district?—About five and thirty lacs of rupees, including customs and jaghires, and every thing.

394. Can you state the expense of collecting the revenue?—That is a matter of figures, which I cannot bear in mind; but about nine per cent., I think.

395. What number of Europeans are employed in that district?—There are three European gentlemen, civil servants of the Company, in different parts of the district, being myself at the head, residing at Delhi.

396. What number of natives had you under you?—There were subordinate officers attached to the several assistants at very small salaries, merely clerks. There was a law officer attached to each of them, to assist them in their duty, a Mohamedan; and one Hindoo law officer, besides the Mohamedan law officer, attached to the court over which I presided.

397. State the manner in which the revenue was assessed and collected?—Purely from villages. The district of Delhi is

2 Mar. 1830.

T. Fortescue, Esq.

rather peculiarly circumstanced; it differs a good deal from other parts and other provinces; and the settlements are entirely village settlements.

398. State in what manner that arrangement is made: with what persons?—A description of persons called mocuddims, or head men, leaders, principals.

399. Do they act on the part of the whole village?—Always; and they are selected by the village, and changed at their pleasure. They are generally men of more influence than the rest, better able to conduct the duties of the village, on the part of the whole, than any other set of men.

400. Then the mocuddims do not contract with the government for the payment of a certain revenue, but merely act for the village to make an agreement for the village?—That is almost always the case. They very rarely become the contractors; the distinction is nice, perhaps.

401. How did you determine the amount that each village was to pay?—Always by calculating what the people should pay; after inquiring into the state of the village, what it had hitherto paid, what it was capable of, the state of the lands, and what they ought to bear with reference to the produce.

402. In what manner was it settled what each man in the village was to pay?—That was an internal arrangement, which it was desirable for us not to interfere in; they among themselves settled at their pleasure what each was to pay.

403. Had you any complaints on the part of any of the villagers that they were over-assessed?—I do not recollect one. There were some dissatisfied; but I do not recollect one reasonable complaint.

404. If they were dissatisfied with the mocuddim, they turned him out?—Yes; but when we came to make a settlement with them, sometimes one or two, sometimes the whole village, would come and be present, and whoever could speak best to the point, or make the best arrangement on the part of the others, he was the mocuddim; one day one of them, and another day another, perhaps.

405. Were there any hereditary officers in those villages?—They were rather servants of the villagers than officers. There were no officers of the village, except the carpenter, the blacksmith, the barber, and such people.

406. Was there any village accountant?—There was. He was generally what we call a Banyan, a man who used to dispose of the grain of the village; he was generally a particular adept in keeping the accounts.

407. Do you think it would have been desirable to make a settlement with each individual, rather than the whole village?

—Certainly not; it would have destroyed the union among them, and have penetrated into private and domestic matters, which would have been very unpleasant among them.

408. In what manner were any disputes which arose between the proprietors settled; how was justice administered in the village itself?—It was left pretty much to the system that had existed before our time, as it appeared to be satisfactory to the people; that was, leaving them to decide their own disputes, where nothing very heinous had occurred such as required the cognizance of a magistrate.

409. In what manner did they decide those disputes?—Always by punchayet.

410. Will you describe what punchayet is?—It is very similar to arbitration, but in some measure different. Arbitration is for any thing; punchayet is an assembly which they form themselves: any one of the village whom they would wish should advocate the one part and the other, most frequently the mocuddims, from their being the men whom the village had most confidence in, and who managed the affairs of it most to their satisfaction; but it was not necessary it should be a mocuddim.

411. Were the people apparently satisfied with such administration of justice as they obtained from the punchayet?—Almost always; I do not recollect any dissatisfaction of moment.

412. How was the administration of justice in cases of a more important description managed in your time?—With respect to criminal offences, if any thing very heinous occurred, the officers on the part of the magistrates, dispersed through the country under the name of Tannahdars, police peons, and Burkandazes (people carrying fire arms), when they were either informed or themselves acquired a knowledge of any heinous offence, inquired into it, and reported it to the magistrate.

413. That magistrate was an European?—That magistrate was one of the gentlemen I have just mentioned; an assistant.

414. To what extent did those magistrates decide civil causes?—They decided causes, as far as my recollection goes, to any amount.

415. Was there any appeal to you?—Always, in every case.

416. Were those appeals frequently made?—Not at all, with reference to similar appeals in other provinces.

417. You mean that there were fewer appeals in the province of Delhi than in the lower provinces, compared to the number of causes?—Yes.

418. To what extent did the assistants administer justice in cases of an inferior nature?—Punishment with rattan, confinement, and labour, to the extent allowed in the lower provinces: very much in the character and manner as applied under the

2 Mar. 1830.

T. Fortescue, Esq.

Regulations in the old territory. The principles applicable to to that territory were proceeded on.

419. According to what law did you and your assistants administer justice?—By the Mohamedan law, modified as it has been and is by the Regulations of the government.

420. As regards the Mohamedan law, the Regulations of the government were introduced into that district?—I cannot say that they were specifically introduced; the principles of them were adopted; and when any offence was tried, a Mohamedan judge gave his opinion as in the lower provinces, and the measure of punishment was awarded in the same manner as it would have been in the lower provinces.

421. According to what law was civil justice administered?—The Mohamedan too.

422. Without the intervention of the Regulations?—Yes; they were not authoritatively introduced into the province; but I was directed by my instructions to follow the general principles of them.

423. You administered the Mohamedan law modified by the spirit of the Regulations?—Yes.

424. But not altered by the Regulations?—Yes; there is a great deal of Mohamedan law altered by the Regulations. We administered justice on the principles of the Regulations.

425. But without adhering to the forms? - The whole mode of proceeding was conformable to the practice of the courts below.

426. Did the people appear to be satisfied with that administration of justice?—I do think they were particularly so.

427. Has the revenue increased in that country of late years, since we first got possession of it?—Extremely; almost beyond calculation.

428. And the population?—Yes; and the population also. When we took possession there were about 600 deserted villages; when I came away, there were about 400 of them that had been repeopled again, chiefly by the descendants of those who had a proprietary right in those villages, and this in consequence of our administration.

429. What extent of authority was conceded to any native commissioner in the judicial department?—I cannot exactly recollect. They have very trifling criminal jurisdiction; but in civil they have causes to the extent of a thousand rupees to investigate. They were more as assistants in criminal matters, to inquire into any little trifling things that required more time than it was consistent with the other duties of the assistant or myself to attend to.

430. Did they appear to perform their duties faithfully and

2 Mar. 1830.

T. Fortescue, Esq.

well?—I think so; I was very well satisfied with them. I think their allowance ought to be more, and more confidence placed in them.

431. From what you saw of the natives, do you think they could be introduced into higher situations than those they had before occupied?—I think they might; but they must have a proportionable reward for their services.

432. Is there any alteration of system in the lower provinces, or in the ceded and conquered provinces, which would lead, in your opinion, to a reduction of charge, without diminishing efficiency in the revenue and judicial departments?—I certainly think there is.

433. Have the goodness to state them?—I think, if the revenue and judicial reciprocally assisted each other more than they do, at least than they did when I was in India, the business to be transacted would more speedily be got through, and, of consequence, benefit would result.

434. Do you allude to the revenue and judicial functions?—Not altogether. I allude chiefly to a great proportion of the duty which now appertains to the Courts of Judicature, being, in the first instance, examined into and adjusted by the revenue department.

435. Will you state the advantages of that alteration?—The advantages would be, that in the revenue department, in which originates a very large proportion of the duty of the judicial, would be decided cases the moment they arise: on the spot very often, and by an officer whose knowledge gives him an advantage over the judicial. In very many instances it happens that the judicial officer decides on cases after reference to the collector, from the reports he sends up.

436. Has a person educated solely in the judicial department that knowledge which will enable him to decide the revenue cases that will come before him?—I think not; I think no judicial officer can be a good one who has not commenced in the revenue department.

437. What was the custom of the country previous to our occupation of it in that respect; were the functions united?—Before our government, little was thought of but revenue; there were none but quazies. The Mohamedans distributed justice in no regular way. Sometimes the Aumil, or the ruling authority itself, would interfere, but in rare instances. There was no code furnished, nor regular system practised by the native government, for the administration of justice.

438. Are you of opinion that, by a more extensive union of the revenue and judicial functions, justice would be equally well administered, if not better, and the charge diminished?—I

2 Mar. 1830.

T. Fortescue, Esq.

think that by a better classification of the aggregate duties that would be the case.

439. What is the proportion of the whole assessment on a village or estate supposed to be allowed to the zemindar, as a compensation for his charges and risk, in the lower provinces? —By the regulations of the government, I think it is about ten per cent. on the net revenue he pays to government, or eleven and a half on the gross.

440. Besides that deduction from the revenue collected from the zemindar, there is likewise a charge of collection; is there not?—There is about five per cent. for what is called village charges.

441. Besides that, there are salaries of the collectors themselves; are there not?—Yes, there are.

442. What do you calculate to be the total charge per cent. of collecting the revenue in the lower provinces, including the allowance made to the zemindar?—I do not think I can answer that question with any precision; but with regard to the preceding questions I would wish to add, that the allowance to the zemindar I have just stated is, in my opinion, not sufficient; I hardly ever found it to be sufficient in making the settlement. I think it is more nominal than real. I mean that in very large estates in the lower provinces, where they consist of several villages, and there is but one, or a very few proprietors, ten per cent. may do; but if it is a small estate, and the family of the zemindar is large, and the estate liable to fluctuations by reason of the seasons, and the ground not altogether even in its produce, in such instances, and others I might mention, the ten per cent. has never been enough.

443. Is it ten per cent. on the estimated amount of the receipts, and not on the whole?—No.

444. The Regulation says, that ten per cent. shall be allowed on the net receipt, or eleven and a half on the gross; but that, in your opinion, is not sufficient in many cases to enable the zemindar to live?—Just so.

445. When a further allowance is necessary to be made to a zemindar, is that regulated by the discretion of the collector?—I think so; that has always been my mode. It was impracticable often to make a settlement; they would not agree with us. When the detailed accounts showed that the ordinary expenses of the zemindarry were so great that ten per cent. would not remunerate or allow the zemindar to live, then it was requisite to make a further allowance.

446. Are the ceded and conquered provinces so situate as to make it possible to introduce the system of village distribution there?—Generally speaking, not. In some parts it did continue, particularly in the province of Bundlecund.

2 Mar. 1830.

T. Fortescue, Esq.

447. When that village constitution has been once destroyed, it would be impossible to recreate it; would it not?—I think it would; the more we interfere, the more we dissolve the union.

448. Of what religion is the population in the neighbourhood of Delhi?—Immediately round Delhi it is chiefly Mussulman, but in the interior chiefly Hindoo. There are entire villages Hindoo, and entire villages Mussulman.

449. What has been the effect of the renovation of the old canal that ran along the line of the Jumna to Delhi; Murdan Shah?—It had just opened a month or two before I left Delhi. It had just passed Delhi and gone into the Jumna, and as it gradually came through the province it fertilized in an astonishing manner and to a most incredible distance, right and left, even to the distance of five or six miles, and in wells which were completely filled up and thought useless the water sprang up again. In the city of Delhi itself it was wonderful.

450. Is the canal for the purpose of irrigation only, or for the purposes of navigation?—It is too narrow for navigation.

451. Is it not possible to send some light goods upon it?—I should hardly think more water can be conveyed than is required for the country.

452. Was the Feroz Shah canal begun when you left Delhi? —No, it was not. I had the opinion of one or two engineers, but they wished to see the effect of this before that was undertaken. The opinion of those engineers was, that it was practicable; and the natives said, "It has once run, why should not it again?" I do not say that the engineers had officially surveyed it, but they were in correspondence with me, and had examined it cursorily.

453. Had any measures been taken, when you left India, for making a canal between the Jumna and the Ganges: the Dewab canal?—No; there had been a long time ago, when first we got possession of the province, but not since, at least while I remained there; it had been examined in former days.

454. Are you aware that the canal of Feroz Shah communicated with the Kuggur river, and that there was a canal from the Sutledge to the Kuggur?—I am rather doubtful on this point; but I believe the engineer officer with whom I was in correspondence thought he could actually trace it to the Kuggur.

455. Have the Mussulman population apparently displaced the Hindoo population in the neighbourhood of Delhi?—At a very remote time of course, when the Mohamedan rule came into India; I do not suppose that the Mussulmans have tried to turn out the Hindoos since.

456. The civil code of the Mohamedans was adopted because

2 Mar. 1830. — T. Fortescue, Esq.

the great majority of the population was Mohamedan?—Yes; that is, looking to centuries ago; they brought with them their own laws, and forced them on the Hindoos.

457. At the period to which you have been speaking, the great majority of the population was Mohamedan?—I allude to the time that I left Delhi. The emperor with all his court resided at Delhi. The city of Delhi, and all round, was very greatly Mahomedan, but not farther off.

458. Did you administer Mohamedan civil law in parts of the country in which there was an Hindoo population?—In all nice cases a reference was made to the Hindoo law officer, who gave his bevesta or opinion.

459. You state that Delhi is very populous; can you state in what degree it is more or less populous than adjoining estates in India?—I say it is populous; but I do not think it is comparatively more populous; I should rather say the contrary, if I were to give any opinion. It is rapidly increasing.

460. Had it been increasing previous to its falling under our dominion?—It had; but it was recovering from an extensive famine that had happened long ago, which had half depopulated the country.

461. You now consider it to be increasing independently of the consequences of that famine?—I look to the present increase as entirely owing to the administration since we have had possession of it.

462. You state that you have employed a number of native officers at small salaries; is the Mohamedan and Hindoo proportion of those officers the same as that of the population, or nearly so?—I allude to common clerks in office; I should hardly call them officers; they were mere copyists; they are nothing but common clerks. What I call officers are those attached to European offices, and having some authority.

463. The question refers to those employed in any way?—In employing them, or selecting them, or appointing them, I never thought whether they were Hindoo or Mussulman. I generally got the person best qualified; and if he had been in a very subordinate situation in the district, and was able to do the duty, from that situation he was appointed.

464. The question is not, whether you gave the preference on account of religion; but what was, generally speaking, the proportion?—As the correspondence and records were all in the Persian language, and as the Hindoos rarely acquire a knowledge of that language but for some purposes connected with employment, the majority was Mussulmans, who, in writing proceedings, were more familiar with the language, it being so connected with the language of their religion.

465. There was no exclusion of Hindoos?—No, by no means.

466. In situations which were in any degree places of trust, did you see any motive for giving the preference to persons of the one religion over those of the other?—No; indeed I found them both equally trustworthy.

467. You had no reason to complain generally of the want of integrity of the persons you had so employed?—I wish to answer that with a little reservation. I think not; where they have been what I would say liberally rewarded for their trouble, and consideration has been shown towards them, they are every way deserving of trust; but where this has not been the case, then they have failed to merit that confidence.

468. You have stated that Mohamedan and Hindoo law officers are employed jointly; do you mean that they are consulted in unison upon the same points, or that there are particular points referred to one, and others to the other?—Certainly; what relates to the Mussulman law is referred to the Mussulman, and what refers to the Hindoo to the Hindoo; as in cases relating to caste, marriages, &c.

469. By whom are those native law officers appointed?—In the lower provinces printed Regulations prescribe certain rules and forms. They are generally recommended by the judge and magistrate of the district to whose court they are attached; they also belong to the courts of circuit, and the Sudder dewanny and the Nizamut adawluts.

470. What is their manner of appointment?—The nomination rests with the local authority; the confirmation rests according to circumstances, as is defined by the Regulations.

471. Are their appointments liable to be revoked at pleasure?—Not exactly at pleasure; there must be some cause of dissatisfaction, something improper alleged and proved. Superannuation, or a wish to retire, may lead to their appointment being revoked.

472. Such cause being alleged, by what authority are they liable to be dismissed?—The Regulations point out different authorities: for instance, a judge and magistrate has no power to dismiss, only to suspend, either of his law officers, without reference to the court of circuit, his immediate superiors. The Regulations point out all those matters.

473. You state that the Banyans dispose of the grain of the village; will you state in what manner they generally dispose of it?—They have only the disposal of it when it is the pleasure of the parties to arrange with him for that purpose; it is not necessarily so, nor has he any special authority to interfere one way or the other; but when he does dispose of it, he generally takes it and disposes of it at the average price of the market,

2 Mar. 1830.

T. Fortescue, Esq.

or at any price that the owners of it choose to arrange with him for.

474. He is a sort of broker?—Yes; and he is their cash-keeper frequently.

475. Does he frequently dispose of it to the government?—No; government never purchase. It is the object of the government rather to get rid of it.

476. You have stated that the revenue has greatly increased in the province; has that arisen from the improved collection, or from increased duties?—From both. The increased duties, with reference to the customs and town duties, have been greatly augmented; and also the land revenue has increased greatly, owing chiefly to the assessment on the different villages, some of which paid no revenue at all before our administration, or little or nothing, according to their internal ability to resist the former government, or its local officers, or by connivance.

477. Those new assessments were made by your direction?—Not exclusively by mine, but by those of my predecessors; I was sent up chiefly to report on the state of the territory.

478. Did the increase of assessment occasion much complaint?—I cannot say much complaint. Those who paid nothing, or but little, did not like to have the revenue augmented; but there was nothing like rebellion, nothing like resistance, nothing like the opposition there had been heretofore. All those matters which I have been speaking of are very fully detailed in reports, which it was my duty to make on that territory as to revenue, customs, police, and the administration of justice. I have not those documents with me, and therefore I speak with some hesitation on some of those minute points.

479. Up to what period do your reports reach?—Up to the period of my leaving India; I left in 1821, in consequence of the state of my health. There is a great deal of peculiarity with reference to the district of Delhi.

480. You think that a considerable advantage would arise from uniting the collectorship with the duties of a judge?—Not entirely. I meant to say that a great deal of the judicial business would be much better performed by the collector, and it would be in aid of the general establishment and general administration of justice.

481. That you thought it desirable the collector should have judicial powers?—Yes, that is the effect of my answer. My experience has certainly proved that.

482. Would the effect of that be to accelerate the administration of justice?—I think very greatly. I have had a great deal of experience in every part of the province of Bengal.

483. The separation was made by Lord Cornwallis, was not it?—Yes, it was, I believe.

2 Mar. 1830.

T. Fortescue, Esq.

484. In consequence of that separation of the judicial individual from the office of collector, has not the administration of justice since been subject to great delay?—I will not say positively that it has been in consequence of the separation of the judicial individual from the office of collector.

485. But subsequent to that time it has been delayed, has it not?—I cannot say what was the case before. I can speak to what it is at present; but I think there are great embarrassments to the administration of justice from a want of division of labour.

486. Were you acquainted with the state of the courts within the district of Delhi?—Certainly.

487. Do you know the state of arrears of causes in those courts?—They are very minutely stated in my reports. I know thus much, that business was decided as rapidly as it was prepared; there was no delay whatever as to myself. When I came away, two or three hours a day were sufficient to leave every thing clear up to the moment, including every reference from them, and every private petition.

488. What was the state of arrears in the courts, your duty being that of deciding the appeals from the courts?—Very nearly similar to what they were with regard to myself.

489. There are a Mohamedan officer and an Indian officer attached to each of the courts, are there not?—No; there is only a Mohamedan in that court; there was an Hindoo attached to me, but there was not duty sufficient for more than one. I have acted locally in all the other parts of the province, in the ceded and conquered provinces, and at Benares.

490. When a cause is to be tried in one of those courts, if it is to be tried by the Hindoo law is it conducted by an Hindoo officer?—No; the Hindoo law-officer does not sit in the courts in general; if he chooses, he may sit.

491. He is there only to answer the questions put to him by the European judge?—Yes; at the same time, perhaps, he is going on with his own regular business in another part of the court-house.

492. By whom are the witnesses examined in the Zillah court in Delhi?—Always by the assistant; but in very pressing cases the witnesses have, in some part of the court-room, been examined in the presence of the vackeels and agents of the parties, in civil suits. This has been done to prevent delay, and when the parties have preferred it.

493. When it comes under the Mohamedan law, is it conducted in the same manner?—Exactly.

494. The Indian officers, or Mohamedan officers, as it happens, dictate the sentence, do not they, usually?—No.

495. Do not they mention to the presiding European judge what ought to be the sentence?—If he is referred to; but they

2 Mar. 1830.

T. Fortescue, Esq.

always, when requisite, make a formal reference to him of the point on which he is to give his opinion.

496. Is that in writing?—Always in writing. Very often, (speaking of myself,) in a cause of any intricacy, (and I believe others also,) I have requested the law officer to be present, and to assist in going through the examination of the case.

497. You have stated that you thought, in some respects, the judicial officers were not very capable of performing their duties; in what particulars do you think that was the case?—I did not mean to say that; but that the decisions of the judicial officers very often, from not having revenue knowledge, were not so good and so practical, and that their decisions were not so correct as they might have been otherwise. I would explain myself by saying that the execution of a decree, for want of revenue knowledge, was sometimes impracticable, often very very defective.

498. Do you think the judicial officers in general, and particularly when first placed in those situations, are capable, from their knowledge of the language, of examining an Indian witness?—I think their knowledge of the language certainly is sufficient to enable them to examine a witness.

499. Is the court you have described under the name of Punchayet any thing more than a reference agreed on between the parties, and applicable to civil cases?—I do not know whether I can call it a court; it is a self-constituted court among the people; it is an assembly rather, elected by the people, who decide whatever they choose to bring before it; it is not a thing they are called to, nor can we direct them to assemble a court.

500. Do they decide any cases of accusation?—None, but among themselves.

501. It is so far recognized amongst themselves as to try inferior offences?—Rather domestic offences, not offences against the public; family quarrels, family disputes, any little thing, perhaps even a little theft.

502. You have stated that you thought the native officers that were employed in the courts, both Indian and Mohamedan, when their appointments were such as they ought to be for their situation, were entitled to full confidence; do you apply that simply to those who came under your observation in the province of Delhi, or do you apply it generally as the result of information you have received in other parts of India?—I apply it generally to all the provinces of Bengal in which I have officiated.

503. You were understood to state that the mocuddims are the persons who agreed with the collectors for the amount of the revenue from each village?—Yes; very often there is more han one: there may be four or five, or there may be two or hree.

2 Mar. 1830.

T. Fortescue, Esq

504. How does the collector in the first instance assess the amount of the contribution?—From various channels of information. He looks, for instance, to the revenue the village has hitherto paid; he looks to the state of the cultivation; he looks to the pergunnah rates, that is, the rent which such and such land bears in that village, or in the neighbouring villages. He ascertains in these and in other ways the general assets; but in Delhi almost all the lands have been measured.

505. Having ascertained the estimated produce of a village, he assesses it at a certain amount?—Yes.

506. That is the mode of proceeding?—It is.

507. How is that assessment enforced?—I speak of Delhi; and it rarely happens, when the assessment is arranged and the parties are content, that there is any difficulty in collecting it at the stated periods. There are what are called kists, or periodical payments, arranged; and sometimes the proprietors come in spontaneously with the rent; at other times an officer goes and requires it.

508. Supposing a village should be in default of this payment, what means are there of enforcing payment from that village?—It very rarely happens that that is so; and if it is so, it is generally from some circumstance which is a just cause for postponing the demand for a time; bad seasons in some cases, quarrelling among themselves, or something going wrong in the village. A subordinate officer on the part of the collector will then go and inquire among the sharers what is the cause of the kist not being paid up, and it rarely happens that criminality attaches.

509. Do you in no case levy the money from individuals?—Only the tehsildar, or other revenue officer, will go and communicate personally with the whole of the villagers. They are all brothers or relations. He will collect from them separately.

510. Is this land, so assessed to the revenue, subject to any payment for rent to any body else?—There is no middleman between Government and themselves. They look upon that which they pay to Government as a rent.

511. The Government are proprietors of the land, and the land is let to those persons on condition of their paying this contribution?—That is a question which has been greatly discussed in India. As to the proprietorship, my belief is, that the Government is the proprietor of the land, and that the person occupying it is well satisfied with the occupation, paying that rent.

512. That is the only rent the person pays for the occupation of that land?—Yes; there are village charges.

513. You stated that when you first went to Delhi there were a great number of deserted villages, which afterwards were re-

2 Mar. 1830.

T. Fortescue, Esq.

peopled; how soon after they were repeopled did you begin to levy the assessment upon them?—I cannot precisely say that without reference to the papers; but I can say that this principle was adopted, of not assessing the village till it was in such a forward state of cultivation that, with reference to other land, it was reasonable to assess it.

514. Is the zemindarry system entirely done away in the neighbourhood of Delhi?—The word zemindar, as applied in the other provinces, is perhaps not known there.

515. Is the revenue for Delhi collected at a cheaper percentage than in the lower provinces?—I believe I mentioned that I could not state that precisely at this distant period; but there are statements I have sent, which will elucidate this point. To the best of my recollection, the collection is cheaper than on the other side of the Jumna; I think about nine per cent.

516. Does the ten per cent. given to the zemindar in the lower provinces go to any other officer in the neighbourhood of Delhi?—It is a different thing altogether. In the provinces alluded to there are regulations which prescribe, that having ascertained the produce, such and such allowances shall be made to the zemindar, in which allowance is included his ten per cent. In the Delhi territory there are no regulations which prescribe certain terms of assessments; and I believe I have just explained how the settlements were made.

517. Why is the ten per cent. allowed to the zemindar?—It is an allowance granted to him, fixed by the Government for him as his zemindarry right; it comprehends so much that I do not know how to describe it briefly.

518. When that arrangement was made, was it not in the contemplation of Government that the zemindar had a proprietary right over the soil?—The word zemindar was understood to mean that.

519. It was afterwards found out that he had none?—There is a great deal to be said on that subject; he was often found not to be the zemindar.

520. In the province of Delhi the revenue is collected at a cheaper rate than in the lower provinces?—That is a matter of account, and I should wish to refer to my Reports; but the impression upon my mind, though I cannot give a reason for that impression at this distant period, is that it is cheaper; but by referring to the accounts in the India-House this will be seen.

521. Do you think in all cases, so far as your observation has gone, that in the province of Delhi improved cultivation of land has kept pace with the increase of revenue?—I think that the

improved cultivation of land has gone before the increase of revenue.

522. Is the Mohamedan law, as now administered there, very considerably influenced by those Regulations you have spoken of?—Very considerably.

523. In what points are the defects of the Mohamedan law chiefly controlled or influenced by them?—Amputation, for instance, is commuted to imprisonment; another, with reference to the witnesses, holding that two females are only equal to one male, &c. &c.

524. Is the contribution agreed upon with the mocuddims fixed on the gross produce of the village in grain?—We arrange with the mocuddim what he is to pay, after surveying the resources.

525. How much per cent. upon that is it usual to exact?—There is nothing further than that the various sources of the village are on paper.

526. You estimate it at a certain amount?—Yes.

527. What proportion of that do the Government demand?—It depends greatly on circumstances; on the quality of the land and the produce of it. It depends also on what hitherto those people have paid; because there are some villages which, previous to our possession, paid nothing, in consequence of their power to resist. As those villages are from their resources as competent to pay as others, a gradually increasing assessment has been adopted.

528. Can you give any idea of the proportion paid to Government of the produce of those villages?—I know that sometimes the mocuddims arrange so that the share to the proprietors shall be sometimes three-fourths, two-thirds, three-fifths, one-half, fluctuating, but all depending upon so many local circumstances I cannot speak more closely to it.

529. So that if one of the ryots produces a certain proportion of rice or any other grain upon his ground, the value of three-fourths or one-half is paid to the Government?—I cannot say that, because there are a great many things to be taken out of it. A proportion of the produce will be taken to pay the expenses of the village; the hospitality of the village for strangers, and the different officers of the village—the carpenter, and so on; they have their share out of it; there then comes the net produce.

530. Upon that the assessment is fixed?—Yes.

531. Do you state that three-fourths or half go to the Government?—The share coming to Government cannot be fixed precisely, because it will not leave half on some; but the general principle is, that a half is what they call the hakimee, or the Government share.

2 Mar. 1830.

T. Fortescue, Esq.

532. That is, the half of the net produce, after paying the village expences?—In some instances it is but half of the gross produce: it is not possible to give a distinct answer to it, it depends so much upon locality.

533. In the case of the failure of a proprietor, what steps do the Government take against that proprietor; does he forfeit the land altogether?—Referring to Delhi, I would say that the Government know little of the precise property of any of the proprietors. It is not the interest or the wish of the village that the Government should scrutinize and know their possessions; and therefore, if any one of the brotherhood fails to pay his proportion, that is a matter for the village at large to settle; they will often come forward to pay it for him; but those are all private arrangements kept to themselves.

534. Has the mocuddim any power from the Government to enforce this assessment in any way?—No.

535. The mocuddim is merely an agent on the part of the village?—He is merely chosen by them.

536. Have the goodness to state in what manner property descends from one generation to another?—The minutiæ of this matter will be found in my official reports; that I now mention would be but general. I speak with some diffidence; but the inheritance is very distinctly marked, and very distinctly observed amongst them. The sons inherit from their father generally: females are excluded.

537. Does the right of primogeniture prevail?—No, it does not. If a man dies with four sons, those four share in equal proportions; and in respect of what is called in a grand division a panee, supposing there were four sons, each would inherit a division of that panee, which would create what is called (4) tokes.

538. Does that mode of inheritance extend to the Mussulman as well as the Hindoo population?—Yes. There are exceptions of course; but I speak of that which is generally the case.

539. In the early part of your evidence you stated that you have no means of making any exact calculation of the population of Delhi, and you have also spoken about the villages; can you give any general idea of the amount of population in those villages; do they differ much; and if so, can you mention the greatest population of any one village?—No; it would be hardly possible. Perhaps the largest village in point of landed extent might have the fewest inhabitants in it: for instance, those that were repeopled again; the lands appertaining to them are perhaps as large as any in the district, but the population may be the fewest; but they vary very much. They are every day augmented. People who had abandoned them or their relatives

are coming back, and getting possession without the slightest opposition. 2 Mar. 1830.

T. Fortescue, Esq.

540. When you speak of a village, you include the adjacent land?—Yes; all the land appertaining to the brotherhood who live in the hamlets or houses.

541. Is the whole of the land appropriated into villages?—There is a considerable part of it unoccupied, unclaimed, and uncultivated, but which will be cultivated as soon as the aqueducts which have been talked of shall fertilize the soil.

542. Is the consent of Government required for the cultivation of any new district?—No. Government are happy that people should come and take up their abode. They make no inquiry, if there is no objection made by the neighbouring villagers; that is to say, that they do not claim landthat others are in the possession of.

543. What length of possession gives a right to the property?—A right of possession remains till it is disturbed by some others who claim it; but that is a case that rarely or never occurs. There are no disputes of that nature.

544. Has the district been well surveyed?—I do not know that there has been a very exact survey. It has been surveyed by the revenue officers; I meant that it was surveyed by the revenue officers.

545. Speaking of the province of Delhi, in what respect does the system for the administration of justice differ from that supposed to be the case in the best times of the Mussulman government?—The great difference is, that there are certain principles now proceeded on, which was not the case in those days; there was no system. In short, I cannot go back to any particular time, unless I go back an hundred years, or an hundred and sixty. I have seen records of the province, stating its extreme fertility at that time. I do not know any period when the administration of justice was in a better state; I can find no record of it.

546. Have you reason to think that the inhabitants of the province of Delhi rightly understand, and act on and approve of, the changes that have been introduced into the system of Mahomedan law in its administration by the Regulations to which you have referred?—I do not recollect that there has been an alteration in the civil code of Mahomedan law; it is only in the criminal code.

547. Are they readily acquiesced in by the natives?—I think they are favourable to them; I never heard any objection to them; on the contrary, I think they have approved of them. They are grounded in humanity.

548. Is it your intention to return to India?—No; I have

2 Mar. 1830. — T. Fortescue, Esq.

left on account of ill-health, and have not been well enough to go back.

549. What was the amount of your allowances while you were commissioner at Delhi?—Five thousand rupees per month.

550. Would you call that £6,000 a year?—At two shillings, it would be about that.

551. At what time of life were you when you went there?—That is now ten years ago. I suppose about forty.

552. How long had you been in India previously?—I went out in 1798, and passed through almost all the gradations of the service. I was in Delhi not above ten months.

553. You had been two-and-twenty years in India before you went there?—Yes.

The witness is directed to withdraw.

Ordered, That this Committee be adjourned to Thursday next, one o'clock.

Die Jovis, 4° Martii 1830.

The LORD PRESIDENT in the Chair.

ROSS DONNELLY MANGLES, Esq. is called in, and examined as follows:—

4 Mar. 1830. — R. D. Mangles, Esq.

554. HAVE you resided in India?—I have.

555. What situation did you last hold?—I was Deputy Secretary to Government in the territorial and judicial departments.

556. For what period did you hold that situation?—I think about two years.

557. What are the duties of the department?—I was employed chiefly in writing the general letters from the Government to the Court of Directors.

558. What are the duties of the department of which you were the Secretary?—The duties of Territorial Secretary, in one branch, correspond in a great measure with those of the Chancellor of the Exchequer in this country; he manages the whole financial business of the Government, in concert with the Accountant-general; but the Secretary is the chief officer of the Government in that department; moreover he has the management of the territorial revenue, and of the revenue derived from salt and opium, and he conducts the correspondence of Government with the three Boards of Revenue in the upper, lower, and central provinces respectively.

559. In what relation does he stand to the Board of

Revenue?—He is merely the ministerial officer of the Government; he is not a responsible officer.

560. Has he any power over the Board of Revenue?—Not directly.

561. If any increase of charge were proposed by any of the Boards of Revenue, or by any person acting under them, is that proposal for increase submitted to the Territorial Secretary before it is acquiesced in and sanctioned by Government?—He is the person always addressed. The Boards of Revenue have the power of writing directly to the Governor-general in Council; but that is a mere matter of form, for such letter goes equally through the office of the Territorial Secretary, and is submitted by him to the Governor-general in Council.

562. Does the Territorial Secretary offer his opinion upon the admissibility of any new charge proposed?—He certainly does.

563. Is it his duty to do so?—I should think so. He has no right or power to do so; but he is generally called upon to do so, I apprehend.

564. Is his opinion on any new charge recorded officially?—The Secretaries are in the habit of giving in papers called memoranda. As the Governor-general or Members of Council lay minutes before the Council Board, so the Secretaries, whenever they have any suggestion to make, submit what are called memoranda.

565. One of the Members of the Council is nominally President of the Board of Revenue, is he not?—Merely nominally so.

566. He performs no duties?—No; none that I am aware of.

567. Does the other Member of Council perform any duties distinct from those of Member of Council?—I believe not; he is nominally President of the Board of Trade.

568. Are you aware whether in former times the Members of Council did perform the duties of Presidents of the Boards over which they presided?—I imagine that they did under Mr. Warren Hastings, and in the times preceding him, but not since that, I believe.

569. What are the duties of the territorial and judicial departments as regard the judicial department?—They are quite distinct departments. There are two Secretaries; but from want, I presume, of hands, (for the number of public servants was at that time very inadequate to the work to be performed) I was appointed Deputy to both. There was a great arrear of general letters to the Court of Directors at that period.

570. What are the duties of the department with regard to the judicial administration of the country?—The Judicial Secretary is quite independent of the Territorial; he conducts the correspondence of the Government with the Sudder Dewanny

4 Mar. 1830.

R. D. Mangles, Esq.

and Nizamut Adawlut; they are the chief criminal and civil courts.

571. Is the police under his direction?—Yes; at least all the correspondence of Government on the subject of the police is conducted by him. Like the Territorial Secretary, he is not a substantive officer, only a ministerial functionary of the Government. He writes always in the name of the Government; his letters always begin with words to this effect, "I am directed by the Governor-general in Council to inform you:" and this holds good with regard to all other Secretaries.

572. Will you state what the business of a Collector is in the lower provinces?—The receipt of revenue; the conduct of public sales, in the event of any defalcation on the part of any landed proprietor who is responsible for any portion of the revenue.

573. There being a permanent settlement of the land revenue in those provinces, has he much to do?—He has not much to do directly with the collection of the revenue; but he has a great number of other duties, as the management of wards' estates (minors' estates); for the Board of Revenue is also a Court of Wards.

574. Does he exercise any judicial functions?—He does, in what are called summary suits, arising from disputes between landlord and tenant, between zemindar and ryot.

575. That is, in disputes connected with the administration of the revenue?—Yes; connected with the relation of landlord and tenant more particularly.

576. To what extent does he decide such suits?—The suits are summary suits; they are not conducted with the formality of regular suits; they are instituted originally in the courts of law, and are referred by the Judge to the Collector for decision; they are of a particular description; they are not conducted with the formality of regular law-suits; there is a particular process laid down by the Regulations for them.

577. Is it in the nature of a reference?—Not exactly; it is a claim of the zemindar on the ryot for rent which the ryot disputes or denies; and it is referred to the Collector, as a summary suit, under particular Regulations.

578. Are all the instances in which he exercises judicial power referred to him by the court?—Yes, as far as regards the summary suits referred to; but there are also investigations which partake largely of judicial inquiries, which he conducts independently of the courts, as, for instance, where landholders in coparceny have petitioned to have their estates divided, and to become separately responsible to Government. Such divisions are called Butwarahs.

579. Is the revenue collected in the hands of the Collector?—

4 Mar. 1830.

R. D. Mangles, Esq.

It remains in the custody of a native Treasurer, who gives heavy security, and who is to a great degree independent of the Collector.

580. Is this security given to the Government or to the Collector?—To the Government through the Collector; but the Board of Revenue see that it is sufficient.

581. Is not the Collector also responsible?—Certainly.

582. Has the Treasurer any salary?—A very low,—a nominal salary.

583. In what manner is he remunerated; by taking the profit of the money in his hands?—Certainly not, where he is properly looked after; but I apprehend that the public service of the Government being the only distinction that the natives of India can attain to, it is entirely for the sake of being employees of Government that the persons in question seek for the situation.

584. Is he not in many cases a banker?—Yes he is, in some cases.

585. Does he alone enter into security, or are there joint securities with him?—I apprehend it differs very much; the Board of Revenue always see that the security is sufficient; there is no fixed rule.

586. Little has been lost by means of the native Treasurers, has there?—Very little, I believe.

587. Does the Collector enter into any security?—No.

588. Have there been recently any sales of land in the lower provinces?—Yes.

589. To any extent?—I should apprehend so; and chiefly, I apprehend, for these reasons: In the estates in the lower provinces, as elsewhere in India, there are frequently many proprietors, a great many coparceners, and sales frequently occur from disputes among those coparceners; they cannot agree about the proportion each has to pay; and if the Collector does not exert himself to reconcile those differences, the estate will be sold for the balance, for the coparceners will not agree about their proportions. The Collector is under no official obligation to act in the manner supposed, but if he be a man of kindly feeling he will do so. Another cause is, that, on account of the great number of these coparceners, it is very difficult for the landed proprietors to sell those estates by private contract; and I believe they often suffer them to fall into arrears, that the estate may be sold by public auction by the Collector, because a government sale gives the best title. It is a title that cannot be disputed on the ground of one or more of the co-proprietors not having agreed to the sale, as in private bargains. I believe that arrears are often suffered to accrue because the proprietors wish to sell the estates.

590. Have there not been examples of sales considered by the

4 Mar. 1830.

R. D. Mangles, Esq.

Government to be improper?—There have; but not exactly in the lower provinces.

591. In what part of the country?—In Cawnpoor, Allahabad, and Gorucpoor.

592. Were any measures taken by the Government in consequence?—There were.

593. What were they?—There is a Regulation of 1821, under which a special commission in the interior, and a corresponding special commission of appeal in Calcutta, were appointed to inquire into those, and redress the abuses complained of.

594. Can you state the number of years' purchase at which lands have lately been sold in the lower provinces?—It varies very considerably in different parts of the country; but in the district I had charge of I sold six estates during the year and nine months that I held it, and the average proceeds of sale were six and thirty times the whole government revenue of those estates.

595. What proportion is the government rent supposed to bear to the profit made by the zemindar?—It varies so very much, that it is impossible to say. I heard that one of the persons who bought one of those estates of which I speak had made a very bad bargain: but the principal estate was sold on account of the wish of the proprietors to part with it; they took that mode of selling it.

596. Can you state at what number of years' purchase lands were sold soon after the perpetual settlement?—It varied very considerably.

597. Can you state who were the purchasers in the last cases of sale; what description of persons they were?—I apprehend they were landholders of other estates. It is a district that borders on Calcutta.

598. In the cases you mentioned in the northern states of Cawnpoor and Allahabad, where the improper sales took place, it was understood that the lands were purchased by the officers of the court; was not it?—They were bought by those officers, or by their creatures. It was a business of most shocking fraud. The perpetrators had got to such extreme insolence and impudence in their chicanery, that I understand some of the papers of sale were drawn up in the name of dogs and jackalls, to make the matter ludicrous.

599. Was that carried on without notice on the part of the Collector of the district?—I am afraid in one or two instances the Collectors were concerned; I have only heard so. None of the persons of whom I speak are now in the service.

600. Were they dismissed from the service, or did they retire?—I do not think they were dismissed; the frauds were not discovered till they had retired; it was quite in late years

that the business was brought to light. Mr. Fortescue was the person who originally brought to light this state of things; but I believe that redress has been almost co-extensive with the evil.

4 Mar. 1830.

R. D. Mangles, Esq.

601. The commission is in existence still?—Yes; I believe that it has got through Cawnpoor and Allahabad, and is now going to Gorucpoor.

602. Are the zemindars in the lower provinces usually old hereditary zemindars, or persons who have been introduced by means of the sales?—Partly one, and partly the other; some have lost their estates, and some have retained them.

603. In what proportions?—The Rajah of Burdwan has the whole of his estates; I think he pays £400,000 a year revenue to Government.

604. Are many zemindaries of such extent as to yield very considerable incomes to their proprietors?—Very great; but the income of the proprietor does not depend so much upon the size of the estate as the amount of the government revenue.

605. In what manner do they expend their revenues?—Their characters, of course, vary as much as in other countries. Some are parsimonious, and many of them are extravagant; those that are extravagant spend their incomes in nautches and festivals, pomp and state.

606. Do they indulge in European luxuries and European mode of life?—Some few do; and I have understood (it is a matter of mere hearsay) that they consume a considerable quantity of wine and cherry-brandy. They do so secretly, of course.

607. Do they consume British manufactures and furniture?—Yes; glass mirrors and lustres, I believe, and articles of a similar description.

608. Do they take European jewellery?—No; I believe that their jewellery is of their own manufacture. I have heard that the cellar of the Rajah of Burdwan was found with several pipes of Madeira in it.

609. Do they appear to be acquiring a greater taste for European luxuries?—Certainly.

610. They have greater means of indulging that taste than formerly, have they not?—Yes; I apprehend that the incomes of the proprietors in the lower provinces, taken on the average, are equal to the Government revenue.

611. Those incomes have been greatly increased since the perpetual settlement?—Yes; I believe that all agricultural produce has risen very considerably, and the extension of cultivation is very great.

4 Mar. 1830.

R. D. Mangles, Esq.

612. Is the condition of the ryot equally improved?—I think that it is improved, but not equally.

613. To what extent has the ryot become the purchaser of British manufactures?—Hardly at all, I should say.

614. To no greater extent than thirty years ago, do you mean?—He consumes more, certainly, than at that period. I suppose that there is a good deal of cotton-twist used by the native weavers in making up the cotton cloth which the natives wear, but that has only come into use within three or four years.

615. Are they generally clothed in British cottons?—No; the British cottons are not used; they do not wear so well, I understand, as their own manufacture: but I have heard that the best cloths are those made in India by the hand from the English twist.

616. Who are, in India, the great purchasers of British cottons?—I should think the higher classes; but I have not made these subjects much a matter of inquiry, not having been employed in any branch of the service directly connected with them.

617. Are there natives of considerable wealth in Calcutta?—There are natives of very great wealth.

618. In what situations are they?—They are generally the large landed proprietors; almost every rich native in Calcutta is a landed proprietor.

619. Have they also great capital?—They have.

620. Are they engaged extensively in the country trade?—Many of them.

621. Do they live in the European style?—As far as carriages and equipage of that nature; and in native houses into which I have gone, I have observed mirrors, chandeliers, and lustres, &c.

622. What is the state of their education?—They are generally very good English scholars as far as matters of business and writing go; but I do not apprehend that they read much English. They write very well.

623. Some of them have made very considerable progress in literature, have they not?—Some few of them have made very considerable attainments.

624. Do they live much in English society?—Their prejudices prevent their eating with us, though not from being present while Europeans are eating, for I have seen men of high rank standing by on such occasions. The higher Mahomedans will eat with Englishmen; but not so the Hindoos, nor the lower class of Mohamedans, who are Hindoos in point of prejudice and feeling.

4 Mar. 1830.

R. D. Mangles, Esq.

625. Are those rich persons, the zemindars and rich men of Calcutta, usually Hindoos?—Yes, they are chiefly Hindoos. There are some few Arab merchants, and some few Indian Mohamedan merchants. The Hindoos are of more saving habits than the Mohamedans, who are much more debauched.

626. Do you apprehend, from the state of society in the lower provinces, that it would be possible to raise any more revenue by means of indirect taxation?—The wealth is in existence; but I cannot speak, on the spur of the moment, of any means by which it could be got at by indirect taxation, their wants are so few.

627. What is the nature of the sayer duties?—They were originally, I believe, duties on ghauts or landing-places, and on markets; but I think they are almost entirely abolished.

628. Are there still other duties under the name of sayer duties?—Perhaps abkarry, or the taxes on spirituous liquors and opium, are included under that head, but I thought not.

629. What is the nature of the abkarry duties?—They are taxes on spirits and opium, and ganga, and other intoxicating drugs.

630. In what manner are they collected?—I never had charge of any collections of the nature in question, and cannot speak to it.

631. With the exception of those duties, of the revenue of salt and opium, of the transit duties, and the duties of sea custom, there are no other modes of collecting revenue, except on the land?—I think there are no other but the pilgrim taxes at Juggernaut and Gyah.

632. Do the zemindars make advances to the ryot for cultivation?—Yes, they may, and in some instances doubtless they do.

633. There has been some increase, has there not, of the land revenue in the lower provinces since the settlement?—Yes, but very small, I should think; and in some instances it has probably decreased.

634. In what manner has the increase arisen where it has been?—From the cultivation of wastes not supposed to be included in the perpetual settlement.

635. There are some jaghires which have fallen in lately, are there not?—Yes, doubtless some jaghires have lapsed.

636. Can you look forward to any considerable improvement from the Sunderbuns, or the cultivation of land supposed not to be included in the original settlement?—In all those districts that border on the Sunderbun forest I apprehend that there may be very considerable improvement in the course of time; the forest

4 Mar. 1830.

R. D. Mangles, Esq.

is of enormous extent. I am speaking, of course, of the permanently settled districts.

637. When land has been brought into cultivation, supposed not to be included in the original settlement, in what manner has the revenue been assessed of late years?—There has been great difficulty in getting any revenue. The native landholders cling very closely to the terms of the perpetual settlement, and insist upon that engagement as including the land recently cultivated. They very naturally resist any attempt on the part of Government to increase the revenue, and assert that the lands which the Government claim a right to assess were included in their several estates at the time of the perpetual settlement.

638. Has the Government insisted on its rights?—It has litigated them. Whenever it has succeeded it has been by the consent of the parties, or by litigation in the courts, not by any arbitrary proceedings.

639. In what manner has it dealt with those lands for the purpose of assessing the revenue when it has gained them?—It always understood that the zemindar is entitled to have the settlement made with him.

640. Has a settlement been made with the zemindar in all cases?—In one case, to my knowledge, under very peculiar circumstances, it was made with the ryots.

641. Can you state the circumstances?—Yes; I formed that settlement myself.

642. What were the number of ryots with whom the settlement was made?—I think between two and three hundred.

643. What amount, on the average, did each person pay?—It is impossible to form an average; it varied, I think, from two hundred rupees a year to half a rupee a year.

644. What time were you occupied in making that settlement?—I think about five or six weeks.

645. Supposing the proprietor of that land which was assessed at half a rupee should die, and his property be divided, as by law it would be, among five or six children, to whom would the Government look for the revenue?—To the person or persons in possession, whoever they might be.

646. Would not a settlement be required to ascertain what proportion of that sum should be paid by each individual?—I think the Collector would get it as he best could: he would get it from somebody; from the person in possession.

647. Can you state at what price salt is retailed to the people of Bengal?—It varies so very extensively, I cannot state it with any precision.

648. The market price varies from time to time?—Yes; I

have seen the average prices in print, or in the public records; they were stated very precisely, but I cannot detail them. 4 Mar. 1830.

R. D. Mangles, Esq.

649. To what purposes do the natives apply salt?—I have heard that in some parts of the country they give it to cattle; otherwise I believe it is used entirely for human food.

650. Do they make great use of it?—Yes; their diet is vegetable, therefore I believe that it is peculiarly necessary.

651. Are they enabled at the present price of salt to obtain possession of so much as they want for culinary purposes?—I think if the price was lower they would use more; but I have never heard complaints that they had not enough; no native ever told me he had not enough salt.

652. Can you state the condition of the salt manufacturers?—It is about upon a footing with that of other persons of the same class in the community.

653. It is not inferior?—I think not.

654. Do they select that manufacture by preference?—Undoubtedly; there is no compulsion whatever.

655. In what manner is the population of great towns composed; of what description of persons?—I should think that the population of the large towns is more Mohamedan than the general average of the country.

656. What is the condition of the population; are there many persons of considerable wealth, or are they generally poor?—There are many persons of considerable wealth. Many of the large landed proprietors do not live upon their estates, but live in the towns.

657. Are they in the habit of living a part of the year on their estates, and part in town?—They generally live a part of the time on one, and part on the other; but I am not aware that there is any season at which they would go from one to the other.

658. Have they large houses on their estates?—Yes.

659. Have they establishments there?—Yes; but I should apprehend that they transfer their establishments from the town to the country, and back again. They are fond of large bodies not of retainers and fellows running after them.

660. Is the quantity of salt produced each year pretty much the same, or does it vary?—Pretty much the same; but I believe that it has been growing larger and larger with the population.

661. What occasions the great variations in the price?—I am not aware that there is any very great variation.

662. Are natives employed in the higher situations of the revenue service to any considerable extent?—The tehsildars in the upper provinces are the highest revenue officers who are

4 Mar. 1830.

R. D. Mangles, Esq.

natives. There are no tehsildars in the lower provinces, where the settlement is permanent.

663. What is the highest amount of salary any native receives in the revenue service?—I cannot answer that; the records will show that.

664. What was the highest salary of any native writer in the territorial department?—There was one very clever man indeed, who, I think, got thirty or forty pounds a month.

665. What was his situation?—I think he had the management of the salt division of the duties of the office.

666. Where they have been in the receipt of suitable salaries, have they proved trustworthy, and equal to the duties imposed upon them?—They are certainly equal, in point of ability, to any duties.

667. Have they proved trustworthy, as far as your observation goes?—They require very great and constant vigilance and superintendence; I do not think that a native is to be trusted without that.

668. Will you state whether those persons are Mahomedans or Hindoos?—They are generally Hindoos. The person to whom I alluded was a Hindoo.

669. To what extent is the half-caste population employed in the several departments of Government?—They are employed as clerks and copyists to a very considerable extent.

670. What is the highest situation held in any department of Government by a half-caste?—The Registrar in the territorial department, a Mr. Francis, a very superior man, was a half-caste.

671. What may have been the amount of his salary?—I think he had from five hundred to seven hundred rupees a month—from fifty to seventy pounds a month.

672. What situations do half-castes hold in the police?—Only as clerks; not actually as officers of police; as clerks to magistrates.

673. Are they not employed in the military police?—Not in the interior, that I am aware of; I never knew a half-caste so employed.

674. Are there any mercantile houses at Calcutta possessed by half-castes of very considerable property?—I think the house of Baretto and Co. were half-caste, but that house is closed. Mr. Kyd, a very large shipbuilder, is a half-caste, as are some members, I believe, of the house of Brightman.

675. Have you any idea of the value of their property?—No.

676. Are they engaged to any considerable extent in the country trade?—I am not aware; I never made any inquiries

as to the different directions in which they employed their capital.

677. Is there any regulation which excludes them from the military and civil service of the Company?—I believe there is, when they are the sons of native mothers.

678. The Regulation does not apply to half-castes the sons of mothers not natives of India, does it?—I should think not.

679. It does not refer to the sons of Caffres?—I believe not.

680. Do half-castes serve in the Indian army as privates? —No.

681. Have they never served as drummers and musicians?—Yes, I believe they do.

682. But not as non-commissioned officers?—No, nor as privates; there are only two classes of soldiers, to the best of my knowledge, the European soldiery and the native.

683. They are employed only as clerks in the civil service, with the exception of one, who is Registrar?—Just so.

684. Are they employed in the marine service?—I cannot say.

685. Is there no Regulation applying to the second generation of half-castes?—No, I believe not. I have known many in both services who had a greater or less degree of native blood. Colonel Skinner, who commands a native corps, a very distinguished officer, is a half-caste. I have heard him say that his mother was a Hindoo. She was of the Rajpoot caste, which is the military caste, the second in the scale. He is a C. B.

686. Do the majority of half-castes reside at Calcutta?—Certainly they do.

687. Can you give any estimate of the number of half-castes residing at Calcutta?—No, I cannot.

688. During the time that you had an opportunity of observation, do you consider the number of half-castes to have materially increased?—No, I do not think that they have. If a half-caste marry a native woman, the children are merged in the native population; if he marry an European woman, they lose the opprobrium of being half-caste.

689. Is there no increase in consequence of the number employed by the Company?—No; the European servants of the Company marry English women more generally than at an earlier period.

690. How do those half-caste persons employ themselves generally who are not in the service of the Company?—They are almost universally servants of the Company as clerks. The more intelligent members of the body have reproached their brethren as being a race of clerks and copyists; they have, with very few exceptions, confined themselves to that employment.

4 Mar. 1830.

R. D. Mangles, Esq.

691. Does the restriction applicable to British-born subjects, with regard to the purchase of land, also apply to the half-caste? —No; they are natives in the eye of the law.

692. Colonel Skinner is a man of large property, is he not? —Yes; he has a jaghire of land, I think, which was given to him at the end of Lord Lake's war. He is a man of great influence among the native population; he could raise, I should think, 10,000 men at any time.

693. Are not those half-castes who have engaged in agricultural pursuits more intelligent and improving in general than the other class of natives?—They have more advantages: I do not think they are naturally more intelligent; they have often better education.

694. Have they, in point of fact, effected a greater improvement in land which has become their property, or been cultivated by them?—Yes, I should say they have. There is a son of Colonel Gardner's, who is a half-caste, who I heard had greatly improved his estate. Colonel Gardner also commanded a corps of irregular horse.

695. Are the half-castes allowed to enter into the service of native princes with whom we have treaties?—Yes, I believe so; there is no provision to prevent them.

696. They are not considered in that light as Europeans? —No.

697. When you speak of the half-castes who have improved their estates more than the natives, they are persons who possessed greater information?—Yes; the instance I have given is the only one that I can call to mind. I understand some have made improvements.

698. They have establishments affording them considerable means of improvement and information in Calcutta, have they not?—Yes, they have. The very lowest class of this description are the descendants of the Portuguese.

699. Are the half-castes Christians?—Yes, I believe so, almost universally.

700. Do you know any instance of any half-castes not Christians?—I have heard of some who are said not to be Christians.

701. They do not commonly intermarry with the natives, do they?—I cannot say whether they marry them; they frequently live with them, I believe.

702. When they intermarry amongst themselves, of what description is the second or third race; is it improved; is it more of the European or the native character?—I do not remember any instances; I have not been long enough in India to have traced such descents.

703. Half-castes who have good characters, and are wealthy

and well educated, bear the same consideration in society as British-born subjects, do they not?—Persons of high feeling among the civil or military servants would be apt to treat them with rather more consideration; and, on the other hand, persons of vulgar minds would be apt to treat them disrespectfully. 4 Mar. 1830. R.D. Mangles, Esq.

704. Is it the effect of this sort of distinction to create a coolness and separation between the two classes?—I have known many half-castes who seemed to feel themselves on a perfect equality. I think Colonel Skinner and Mr. Kyd the ship-builder do.

705. Have the institutions for educating the half-castes in Calcutta received any support or countenance from the Government?—I believe they have from the local government, under the sanction, I suppose, of the Company; but I am sure they have from the servants and officers of the Company.

706. Are they generally treated as a degraded class?—It cannot be concealed that they are not generally on a par with Europeans either in mind or body; they are not considered, as a class, to stand on a level with Europeans; but there are very many exceptions to this rule.

707. Then the marks of attention and kindness that are shewn them from the higher class are deviations from the general usage, are they not?—No; I would say, not from the general usage of the educated part of the community.

708. They are treated with kindness by a small number of persons comparatively, are they not?—I should not wish that to be recorded as my answer, for there are a great many who would them with as much kindness and attention as Europeans. Those who have high feelings treat them with careful and delicate kindness; and those who have vulgar minds must be expected to treat them in a contrary manner.

709. Is the evidence of half-castes taken as readily as that of an European?—Undoubtedly.

710. Is as much confidence placed in it as in that of an European?—Certainly; *cæteris paribus* in other respects.

711. In the interior of the country, are they considered as Europeans or as native subjects?—They are natives in the eye of the law; they are subject to the Regulations as natives, as much so as any Mahomedan or Hindoo.

712. They are subject to the law which affects their mothers?—Yes.

713. How are they considered by the natives generally?—All the feeling which the natives have against us they have also against the half-castes, whilst they probably have not the same respect for them as they entertain for us. They are Christians, and they eat with any body; and these are the two great offences in the eyes of the natives.

4 Mar. 1830.

R. D. Mangles, Esq.

714. Is there no difficulty in considering them as native subjects, while they profess the Christian religion?—They are subject to the Mohamedan law, and that is a difficulty, doubtless.

715. Can you state in what manner and by whom the police is appointed?—By the magistrates, subject, I believe, in all the higher offices, to the confirmation of the court of circuit.

716. A policeman is displaceable by the magistrates?—I believe he is. I never was a magistrate myself.

717. The police of the district is under the superintendence of the magistrate at the head of that district?—Yes.

718. In what manner is it organized?—In separate tannahs or divisions. The pergunnah is a revenue division; the tannah is a police division. But I cannot speak with so much confidence upon this head, as I never was actually a magistrate, nor had charge of the police of a district; I was merely Deputy Secretary to Government in the department.

719. Is the police of one tannah confined to that tannah?—I believe that it generally is so.

720. What is the extent of a tannah usually?—I believe that it varies very greatly, and I cannot speak with any accuracy. I believe that the tannah jurisdiction often tallies with the revenue division, the pergunnah.

721. In what manner is the police horse officered?—By natives entirely.

722. Do the officers bear a large proportion in number to the whole number of the police?—No, I should think not; certainly not, I should say.

723. What is the salary of a policeman?—I cannot say.

724. Can you state that of an officer?—No; the records will give that exactly. I do not bear it in mind; but I do think it is not an adequate salary, according to the best of my information; and I believe that this insufficient pay often leads to great abuses.

725. Is the police efficient for the prevention of crimes?—I believe it to be so.

726. Is it improved?—Greatly, certainly.

727. Are there still robberies to any considerable extent on the navigable rivers?—Not at all to the extent they were formerly.

728. Is there a river police?—There is, I think, near Calcutta, and near Dacca, and in other parts, but not very generally. The improvement in the police can be proved beyond all doubt from the great diminution in the number of crimes.

729. Is that the case in the provinces where decoity prevailed?—Very greatly.

730. Can you state in what proportion the number of crimes has diminished?—I think in the lower provinces the average of decoities of late years is about as one and a fraction to seven, as compared with the state of things twenty-five or thirty years ago.

731. When a person is arrested, where is he taken in the first instance?—To the tannahdar.

732. To what extent is justice administered in criminal cases by natives; what punishment are they allowed to inflict?—I think scarcely any; but I cannot speak confidently as to details, as I never was a magistrate. In the district of Kishnagur, formerly most notorious for decoities, that crime has decreased from an average in former years of two hundred and fifty or three hundred to eighteen or twenty.

733. What is the jurisdiction of the sudder aumeens?—It is entirely civil, I believe.

734. To what amount are they entitled to decide suits?—The Regulations specify the precise sum; I cannot state it; but it has been increased of late years.

735. Can you state the amount of their salaries?—They are very often the native Hindoo or Mohamedan officers of the court, and it varies with that circumstance: if they are so situated, the highest paid gets about twenty pounds a month; if he is a native officer of a court, he gets that sum altogether. Sometimes they are expounders of Hindoo or Mohamedan law, in addition to being sudder aumeens.

736. Did the sudder aumeens in general administer justice satisfactorily?—I believe so, when they were well superintended: all native agency depends entirely upon that; and speaking entirely upon personal knowledge, I never knew a native who could otherwise be trusted.

737. Is that owing to the smallness of their emoluments?—Partly, no doubt; but chiefly the general depravation of society.

738. If they were well paid, do you think they would be trustworthy?—More trustworthy, certainly. The experiment has never been tried, but it ought to be tried.

739. Can you state the jurisdiction of the moonsiffs?—I believe there is a moonsiff attached to every tannah station, who decides petty civil cases within the district of the tannah. I think there are as many moonsiffs in a district as there are tannahs.

740. Are any causes decided by punchayet in the lower provinces?—No; unless the Judge thinks proper to summon a punchayet.

741. It is not the custom in the lower provinces to have

4 Mar. 1830.

R. D. Mangles, Esq.

recourse to that?—No; nor I believe, for many years, the custom of any part of the Bengal presidency.

742. If a European committed any offence, would the police be empowered to seize him without a special order?—I believe that all Magistrates are justices of the peace.

743. Would the native police be empowered to seize a European in the commission of an offence, without special authority from a Magistrate?—They probably would do it. I do not know how the Regulations run in that respect. If they were in sufficient numbers they would do it; but they are greatly afraid of a European. They would not do it unless they were in overpowering numbers.

744. Did any complaint reach the Board, while you were Secretary, of the conduct of the native police; any oppressions on natives committed by them?—I do not recollect any particular instances; but I have said that I consider the officers of the native police to be inadequately paid, and I believe that they exercise considerable oppression at times.

745. Does the Magistrate in general exercise a vigilant supervision over them?—It varies of course; but the circumstances of the country and the immense size of the jurisdictions considered, I do not think that the police in India can be held to be inferior to that existing in any part of the world.

746. Is the attention of the Secretary in the Judicial Department directed to the state of the police?—Undoubtedly.

747. To what provinces has the permanent settlement been extended?—Bengal Proper and Bahar.

748. Is there any record kept of the sales which have taken place under the Regulations?—Undoubtedly they have been kept. I believe there is a record of every year. A general record might be made up from them.

749. Do you know from those records what is the proportion of property which has come to sale under the Regulations of that settlement, since it has been established?—No; but very great, I should think.

750. Three-fourths?—Perhaps it is equal to that. I can explain, however, why the generality of those sales took place at an early period of the permanent settlement, if it is wished.

751. They have been sold for balances, have they not?—Certainly: but the zemindars were men quite unfit for the place into which they were put; they were not men of business nor men of agricultural knowledge in any respect. I do not believe it was the severity of the assessment that generally occasioned the sales in question.

752. You state that a great improvement had taken place in the police; under what system is the police now managed?—

There is a Magistrate of every district; the districts are of a very large size; the average population of a district is 2,000,000.

753. How has the particular crime of decoity been got rid of? —It was at the highest pitch in 1808, and it was then that the class of men called goyendahs was employed to give information of the habits and haunts of the decoits. Mr. Elliott and Mr. Blaquiere were the persons most actively employed in putting down the crime; they arrested every person who was suspected of being a decoit; and I think in the year 1812 there were 1,200 men confined in the gaol of Kishnagur or Nuddea till they should give security for their good behaviour. In 1808 there were 350 or more decoities in Kishnagur alone.

754. Describe the nature of their offence?—It is a crime of the most dreadful atrocity: it is a crime committed in gangs; ten, twenty, fifty, or a hundred, or even two hundred together, attack and plunder a village, generally at night. In 1808, Mr. Elliott and Mr. Blaquiere were deputed to the district, with subordinate European officers, and they arrested and confined the suspected persons. In the years 1812, 1813, and 1814, they had brought down the crime to three, four, or six in a year; and during one year I think there was no decoity committed. After this period the crime rather got up again, till it reached an average of eight or ten in a year. In the year 1818 the Government found it so great an evil keeping all those persons in confinement, (not that I believe they were unjustly confined; they were all decoits,) that there was a commission appointed to go round to the gaols of the different districts, and to relieve such persons as could be set at liberty with any regard to the peace of the district. In the year 1818, accordingly, a great number were released, and the consequence was an immediate increase of the number of decoits, but not at all to the former extent; the average rose from ten to about twenty or twenty-three per annum. The prisoners were released gradually, I believe. Since that period the whole of those persons have been released; none, I think, are now in confinement; and, under those circumstances, the crime has been again reduced to its former level of eight or ten per annum.

755. Do you know whether they continue the system of goyendas?—Not to any thing like the extent they did formerly. The Magistrates, doubtless, receive private information, as they are bound to do; but there are no professional goyendas.

756. Was that laid aside in consequence of the practice which then prevailed amongst those persons of extorting money, and laying informations against innocent persons?—I believe so.

757. Did the decoits ever attack an European?—Yes. I think, for instance, that the paymaster to one of the King's

4 Mar. 1830.

R. D. Mangles, Esq.

regiments was murdered a year or two ago; since I left India.

758. Have you reason to believe that they are reviving of late?—No. I have seen something stated of late in print, upon the increase of the crime in or after 1818; the author in question not being aware that all the suspected persons had been released from confinement in that year.

759. Do you recollect whether an order went out at one time, that if any farther estates were forfeited for the balances, they should not be let to zemindars, but let upon a ryotwar settlement?—I believe that there was such an order.

760. Do you know whether that has been done to any considerable extent?—No, I believe not; principally, I believe, from want of hands to carry it into effect. Your Lordships can have no conception of the labour of forming a ryotwar settlement, of the time it takes, or the number of hands necessary to carry on such operations generally.

761. Are many of the zemindaries very small?—Some are very small; some, I believe, do not pay more than eight or ten rupees a year to Government; but probably they were parts of a large zemindary that had been divided at some former period.

762. Is there not some process under the Hindoo law by which a Magistrate may summon something in the nature of a jury to settle private disputes among the natives?—No. The Judge is enjoined, I believe, by our Regulations, to endeavour in all possible cases to persuade the parties to settle their disputes by arbitration, but the natives have no confidence in any thing but the decision of an European officer. The punchayet is almost unknown under the Bengal Presidency, and the natives on our side of India have no confidence in the judicial integrity of their brethren.

763. You stated, in the early part of your evidence, that you have been engaged in effecting a ryotwar settlement; what was the cause that led to that ryotwar settlement being effected?—The estate of the zemindar bordered on the Sunderbun forest, and Government sued him to recover its revenue upon the land which had been brought into cultivation from the waste since the period of the perpetual settlement. The Revenue Authorities gave a decision in favour of Government. An appeal lies from the Revenue Authorities in such cases to the regular courts of justice, but then the person in possession is obliged to give security for the regular payment of the revenue from the date of the decision of the Revenue Authorities, in case that court of justice shall confirm the decision of the Revenue Authorities in favour of Government. The zemindar in question declined to give such security, and the estate was consequently attached. This was the estate (Kishenrampore) which has been

4 Mar. 1830.

R. D. Mangles, Esq.

often mentioned in the letters of the Court of Directors, in consequence of the complaints of the ryots of the excessive tyranny and extortion of the zemindar; and I, being then commissioner in the Sunderbuns, found that those complaints in some instances were not overstated. I represented these circumstances to Government, and submitted my opinion that a ryotwar settlement should be formed, and I was ordered so to form it.

764. Are you aware whether there was a sensible variation in the condition of the ryots subsequently to the formation of that settlement, as compared with their state under the zemindar?—No doubt. I formed a light settlement purposely. I lived six weeks or more upon the estate with the ryots, and have never been there since; but if I might judge from their joy at the time, they were more than delighted.

765. Have you had any opportunity of knowing since whether the rent fixed under your settlement was collected with as much regularity and facility under the ryot settlement as it had been previously under the zemindary?—Certainly. The zemindar had paid a peppercorn rent, for nine-tenths of the estate were not in cultivation at the time of the permanent settlement, and consequently only one-tenth was assessed. He had no difficulty in paying the peppercorn rent; but when I formed the settlement in question, fifty times more was realized from the estate than the zemindar had paid.

766. Was the rent from the ryots collected with as much facility as those of other estates let to zemindars at nearly their full value?—There was this difference of expense, that there was an officer, called a sezawal, appointed to collect the revenue from the several ryots. There was the difference of the expense of management, as the sezawal's salary, &c.

767. Subject to that deduction, there was a great benefit?—Certainly.

768. Do you consider the land in the Sunderbun as particularly valuable?—It is rather salt; it is very low and flat, and subject to inundation, but when it is reclaimed it is very good. It will only grow rice-crops.

769. Do you know whether any salt is now imported into Bengal from Madras?—A great deal annually.

770. Is there any particular return-cargo usually sent in exchange?—I am not aware of any. They send salt from Madras annually to a very considerable extent.

771. Do you consider the salt that comes from Madras as superior in quality?—No; I think it sells generally from eighty to one hundred rupees per hundred maunds cheaper.

772. Do you conceive that if the salt manufactured in the

4 Mar. 1830. — R. D. Mangles, Esq.

Sunderbuns could be greatly increased in quantity, it would exclude the Madras salt?—Yes. I recollect representing to Mr. M'Kenzie, the Territorial Secretary, that I thought the quantity of salt made in the Sunderbuns could be greatly increased; and he stated that it was a great object to have the salt from Madras, because it not only employed the country shipping, but enabled the persons making it to pay their revenue under the Madras presidency. But your Lordships must not suppose that salt is only manufactured in the Sunderbuns; there is a great deal made in Cuttack, a great deal at a place called Hidgelee, on the right bank of the Hooghly, and a great deal at Chittagong.

773. Do you know whether the quality of the Bengal salt has been improved considerably of late years?—I believe it has, but I do not speak from certain knowledge.

774. Do you know how the sales of salt are regulated?—By public competition: it is sold in large quantities by public sale; but I apprehend, from the prices which the salt reaches, that the supply is not sufficient.

775. Is it not sold in quantities so large as to confine the purchases to a very small number of natives?—I should think so.

776. By whom it is sold again to the people at large?—Yes; that is a great evil, undoubtedly.

777. Is that the cause of the high price, there being a monopoly in that way?—No; I consider an under-supply to be the chief cause; that referred to is partly the cause, no doubt.

778. Have you any idea of what is the rate of profit those large purchasers made?—No; it varies. On one occasion I know that the Government was obliged to let off purchasers to an enormous extent, who were almost ruined by giving more than they could afterwards realize. Sometimes they gain a good deal, sometimes they gain little, and sometimes, I believe, they lose.

779. Very few instances have occurred where the ryots' settlements have been established, where the zemindar's estate has been brought to sale in consequence, and failed to pay, although orders have been issued by the Court of Directors that in such cases that should take place?—Very few; and I explained the cause, which is, I believe, the want of hands and leisure for such arrangements. The pressure of business is so intense in India, that to get through the current business is almost as much as any man is equal to.

780. It has been only in the case of small zemindaries?—Just so.

The witness is directed to withdraw.

Ordered, That this Committee be adjourned till To-morrow, one o'clock.

Die Veneris, 5° *Martii* 1830.

The LORD PRESIDENT in the Chair.

HUGH GEORGE CHRISTIAN, Esq. is called in, and examined as follows:— 5 Mar. 1830.

H. G. Christian, Esq.

781. HAVE you resided in India?—I have.

782. In what situation?—Chiefly as collector of land revenue in the upper provinces.

783. Were you a member of the special commission which was sent into the upper provinces?—Yes; a special commission appointed under Regulation of 1821, of which I was senior member.

784. What was the object of that commission?—To restore lands to persons who had been deprived of them by illegal and unjust public sales, or who had lost them by private transfers effected by undue influence; and to correct the errors or omissions of the proceedings of the Collectors at the formation of the different settlements, in regard to the recognition of proprietary rights, and to inquire into the tenures, interests, and privileges of the agricultural community. The jurisdiction of the commission was confined to the districts of Cawnpoor, Allahabad, and Gorruckpoor.

785. Had no such inquiry into the rights of the agricultural population taken place before the settlement was made?—Partial inquiries; but the rights of the agricultural community are involved in considerable confusion in India, owing to a want of a proper definition.

786. What was the nature of that settlement under which those improper sales had taken place?—The sales generally had taken place, I think, for balances accruing during the first and second triennial settlements of the land revenue; as far as I can now recollect, the jurisdiction of the commission extended only to the year 1817, Fussilee era; the corresponding period will be found in the Regulations of government. I do not recollect the year; that is, the English year.

787. Had those sales to which you have referred taken place to any considerable extent?—To a very considerable extent.

788. Were you enabled to give redress?—Effectual redress, so far as the proceedings had been conducted when I left the commission.

789. In most, or in all cases?—In most cases.

790. To what cause did you attribute the injury that had

5 Mar. 1830.

H. G. Christian, Esq.

been done?—To the malversation of the native revenue officers chiefly, and to the supineness of the European functionaries, if not to their misconduct.

791. Had you power to inquire into the misconduct of the Collectors, the European officers?—No.

792. Was any inquiry made into their conduct?—Not that I am aware of.

793. Did you represent their misconduct to the government? No; we were a judicial tribunal.

794. Was there any kind of inquiry instituted for the purpose of examining into their conduct?—No cases directly affecting them came forward, that is, as far as I can recollect at this distance of time; it was only incidentally that we could form an opinion of their misconduct.

795. Was not their conduct incidentally stated to government in the course of the reports of your proceedings?—I cannot exactly recollect; but the reports are on record.

796. Are you aware whether the persons whom you had reason to suspect of corruption or supineness are still in the Company's service?—I believe not.

797. Do you know whether they have retired from the service?—I believe one was drowned; I do not know as to the others; that is, I cannot precisely state what has become of them.

798. How long have you been in the upper provinces?—About nineteen years. I was about four years and a half on the special commission; and the greater part of the time I was Collector of Land Revenue.

799. Did the condition of some provinces appear to improve from that period?—Certainly.

800. Were they in a very unsettled state when you first went there?—Yes, I think they were; the people were turbulent and refractory in parts.

801. In what manner was the revenue settled?—The revenue was settled generally upon conjectural estimates, at least as far as I can speak to my own knowledge. When I formed settlements, I formed them on conjectural estimates given me by the native revenue officers, and the village accountants were required to submit their accounts; but in most cases their accounts were fabrications.

802. You had knowledge of the productive power of the land, enabling you to form a judgment, probably, as to the extent of the revenue which might be derived from it?—I must confess I had not much knowledge of the produce of the land.

803. Had you any persons to advise with, who were acquainted with the subject?—The native revenue officers, or

the native collectors, and the officers of account; and by looking, in some instances, to what the native governments derived from the villages, and considering as many accounts as I could get hold of that appeared entitled to attention, I endeavoured to make as equitable an assessment as I could; but, as I mentioned, it was but a conjectural one.

804. With what persons did you form that settlement?—Chiefly with the zemindars or land-owners.

805. Did you fix a certain rent on each village, and then compound with the zemindar for the payment of this?—Not always upon each village. There were large estates comprising many villages, and the revenue was, in some instances, fixed on each village; in other instances it was fixed, in the aggregate, on the whole.

806. Was the revenue generally regularly paid?—It varied in different districts.

807. For what period did you make the settlement?—I can hardly recollect, it was so many years ago; but I think the last settlement I made was for five years; the quinquennial settlement.

808. Have you found that the same persons were disposed to contract afresh at the end of the lease?—Yes, if the terms were moderate.

809. Was there a frequent change of contractors?—Yes; because it was the wish of Government, or rather of the Board of Commissioners, that all the land-owners should be preferred to the farmers; consequently there were mutations of tenure.

810. The settlements, therefore, were usually made with old proprietors?—Yes, in all or most instances, as far as was possible or practicable, unless they refused to engage, or were not forthcoming or ascertained.

811. What power was given, under the Regulations, with those proprietors with whom you formed the settlement, to obtain the payment of the revenue from those under them?—That will be found recorded in the Regulations. I cannot recollect all; but there were various powers.

812. Was it a power only sufficient for the purpose, or did it appear to be capable of enabling them to exercise oppression?—In some instances, I think, they had too much power; that is, the power of distraint was abused.

813. Is a remedy applied to that abuse?—Yes, I think it is; but I cannot say, not having much experience.

814. Did you find, on the termination of a lease, that you could obtain the same revenue as you did before?—That would depend on the former assessment, whether high or low.

5 Mar. 1830.

H. G. Christian, Esq.

815. Did the revenue of those districts generally improve?—Yes; they were in a progressive state of improvement.

816. Did the condition of the people appear to improve?—I think it did.

817. Are any of the zemindars or proprietors with whom you formed settlements men of considerable property?—Yes, I think they are; that is, some, not many.

818. Have they any taste for European luxuries, or the means of indulging in them?—Some may have a taste, and some, certainly, have the means of indulging that taste.

819. Were the ryots to any extent consumers of British manufactures; were they clothed in British cottons?—I do not recollect.

820. Were any British manufactures sold in that country?—I believe there were.

821. Of what description?—I think imitation shawls were sometimes sold.

822. Did the sale of British manufactures appear to increase?—I had no opportunity of forming an opinion.

823. What was the chief produce of that part of the country?—The district of Allahabad, at the confluence of the rivers Ganges and Jumna, the chief produce was wheat, barley, various kinds of grain, maize, pulse, sugar-cane, cotton, rice, and other kinds of grain.

824. Was any silk manufactured in that part of the country?—Not to my knowledge.

825. Is the cotton of a good description?—I do not know myself; I have heard that the fibre is not very long.

826. Was any of that exported?—I do not exactly know; I should suppose it was not all consumed in the district.

827. You were at one time a member of the Board of Revenue, were you not?—For a very short time for the lower provinces. I was chiefly engaged in the upper provinces as Acting Collector of Allahabad, and Collector of Agra, and Acting Collector of Furruckabad, and Acting Collector of Moradabad, and Acting Collector of Bareilly, Acting Collector of Gorruckpoor, Acting Collector of Cawnpoor, and in charge of Shekohabad.

828. Those are all towns of large population, are they not?—Not all of them; some are. Allahabad is a town not of very extensive population, but the remains of a large town. Agra has been a very considerable city, but is now in a state, some part of it at least, of ruin.

829. What is the composition of the population of those different towns?—Chiefly Hindoos, and some Mussulmans; Hindoos of various castes.

830. Are they manufacturers to any extent?—I did not recollect whether they are manufacturers to any extent; I did not reside much, if at all, in the towns; I merely passed through occasionally.

831. How do they obtain their livelihood?—I believe they are manufacturers to a certain extent in weaving cloths and other articles; I mean, following trades.

832. Do the zemindars of the country reside in those towns at any period of the year?—Not generally; they come in occasionally to pay their rents, and on business either at the courts of judicature or the Collector's office, and then they take up their residences in those towns.

833. The population is usually composed of poor persons?—I think it is.

834. What are the duties of the Board of Revenue?—To superintend generally the revenue of a certain portion of the country, and the conduct of the different Collectors placed under them.

835. What extent of country was under the Board of Revenue of which you were a member?—I was only a few months in Calcutta; my health failing, I was obliged to go to sea; therefore my knowledge of Bengal is very small. I had the charge of the Morshedabad division of the Board of Revenue; but I was but a very short time in Calcutta.

836. Is the responsibility of all the members of the Board of Revenue equal?—Yes, I think it is.

837. The President of the Board has no superior authority or responsibility?—If I recollect rightly, the President of the Board of Revenue is a member of the Supreme Council; I do not recollect that the Acting President has any superior power; he generally takes up cases of a miscellaneous nature; but I do not know that he is vested with any special power.

838. Do they act as a body, or divide the business between them?—When I was in the Board they divided the business, in consequence of an accumulation of arrears of business.

839. Did they ever act as a Board?—Sometimes I have known them meet in consultation.

840. The report of the Board of Revenue is practically the report of an individual member of the Board?—No individual member can upset or reverse the order of a Collector; if he upsets or reverses the order of a Collector, he must get the confirmation of another member.

841. If a particular member of the Board of Revenue has investigated a subject, is the concurrence of the other members of the Board a matter of course, or do they look into the subject themselves?—Each member is responsible for his own division. The cases of importance are generally or sometimes consulted

5 Mar. 1830. on; but I do not know any particular necessity that obliges them to consult, that is, if they concur with the Collector.

H. G. Christian, Esq.

842. Usually the act is the act of an individual, and the responsibility that of the Board?—Yes.

843. What are the charges of collection in the lower provinces, besides the salaries of the Collectors?—I do not know of any, except the salaries of the canongoes; it is an office established in the different pergunnahs or divisions of the district, an office of registry and record. The Collector's salary and office establishment are not included in this remark.

844. You are not acquainted with the details of the charge of collection?—No; my knowledge of the Bengal provinces is very limited indeed.

845. When you acted as Collector in the upper provinces, did you exercise any judicial authority?—Before I was appointed Collector of Land Revenue I was Acting Register of the city of Benares, and Acting Magistrate in Furruckabad.

846. Did you as Collector exercise judicial authority?—Not to the best of my recollection and knowledge.

847. Have you any means of judging whether the assimilation of the rupee in the upper and lower provinces to the value of a sonaut rupee, and the consequent demand from the zemindar, with whom the perpetual settlement has been made, of a greater number of rupees, containing the same intrinsic value of bullion, would be likely to produce dissatisfaction?—I think they would be dissatisfied. Any change is viewed by the natives with a very considerable degree of jealousy; and any change, however just, they do not understand, and they are apt to suspect that something more is coming, although I should consider an assimilation would be a very good measure.

848. From your knowledge of the state of the population of Bengal, and the territories subject to the Bengal government, do you think there are means of raising the revenue by indirect taxation to any extent?—Any change from established custom in India gives rise to a great deal of dissatisfaction. The land rent is what they readily pay; although it may appear exorbitant, yet it is a revenue that is paid without much difficulty; and a tax in any other shape, however small, is comparatively disliked, I think.

849. Have you any means of forming a judgment whether such transit duties as exist in Bengal were productive of injury to the internal commerce of the country?—My knowledge of Bengal is too limited to admit of my speaking to it.

850. With respect to the lower provinces, can you speak to that fact?—I had no opportunity of forming a judgment.

851. You stated that at the confluence of the Ganges and the Jumna, among other articles, there was a considerable quantity

5 Mar. 1830.

H. G. Christian, Esq.

of sugar grown; is that quantity increasing, to your belief, or diminishing?—I do not know.

852. Was the quality ameliorating or deteriorating?—I do not know.

853. You stated that the settlement was made with the landholder or zemindar; do you mean that the country was put under a zemindarry settlement?—Yes.

854. What powers had you to oblige a zemindar to fulfil his contract?—Chiefly sales of land in the lower provinces for a deficiency of revenue.

855. By distraint?—No; selling the land; it is the same thing, however: the term appears more applicable to moveable property.

856. What powers has a zemindar to oblige the fulfilment of the bargains with him of those for whom he contracts?—They are recorded in the Regulations of government. I think he has a power of distraint.

857. Do you know that he has that power?—I think he has.

858. Did you, while you were there, hear of no difficulties under which the zemindars laboured in obliging the ryots to contribute their proper portions?—Yes, I have occasionally heard of difficulties; but I have heard the ryots complain of the oppressive conduct of zemindars in the same way.

859. Was not there a Regulation to oblige the zemindars to grant certain leases?—Yes.

860. Was that carried into effect in the district in which you were?—It was generally evaded.

861. What is the proportion of the assumed portion of the land that is assigned to the government as the landlord's?—As far as I can recollect, it being many years since I made settlements, my instructions were, assuming one-half of the gross produce to be the government's share, that fifteen per cent. was to be deducted from that half.

862. What became of that fifteen per cent.?—It went to the zemindar.

863. The total portion taken on the part of the government was half the gross produce?—Nominally. What I considered to constitute the basis of the assessment was more nominal than real, for we could seldom ascertain the gross produce, as the landlords will not surrender their correct rent-roll; and we, in consequence, had recourse to conjectural estimates, which is rather a clumsy contrivance.

864. Do you suppose it was oftener more than less?—I think in some parts of the country the district was over-assessed, and in others under-assessed, and in others moderately assessed.

865. You cannot say which preponderated?—I think Bengal

5 Mar. 1830. — *H. G. Christian, Esq.*

is in general lowly assessed, and so are Behar and Benares, as far as I can judge, not having any positive knowledge of those parts of the country; and the upper provinces are, in my opinion, comparatively highly assessed.

866. In the different species of settlements that you have had an opportunity of considering, is there one which appears to you preferable to the others, as respects either the interest of the Company or the advantages of the cultivators?—I think that as a permanent settlement was promised, it ought on that ground to be given, but on no other; for I consider that the permanent settlement is not so appropriate to the state of the country as a twenty years' lease would be.

867. The question is not as to the duration of the settlement, but to the mode of making it, whether by ryotwar or zemindarry?—I consider that the ryotwar settlement cannot be effected in some parts of India: I have tried that myself, and failed.

868. Does the zemindar obtain from the cultivator any proportion of the produce of his land, in addition to that which is assigned to the government?—I have no means of forming a correct judgment on that point, for that is connected with the internal management of the village, which the zemindars or landholders studiously keep secret.

869. Have you any reason to believe that he does, in point of fact, in order to enable him to fulfil his contract with the government, extract from the cultivators a larger portion than that assigned to the government?—Yes, I think he does sometimes: but I do not know that it is to enable him to fulfil his contract with the government: it may be to indulge his own rapacity.

870. When you say that the permanent settlement ought to be persevered in only inasmuch as it has been promised, what are the chief defects, in your opinion, connected with it?—I think it would occasion a sacrifice of revenue. I think that the proprietary rights have not been sufficiently ascertained; and I think we, generally speaking, are not sufficiently prepared to carry into effect an arrangement of such importance; our knowledge of the actual state of the country is imperfect.

871. Would not the ascertainment of the proprietary rights be equally necessary, in the event of a settlement by long leases?—I think that would be necessary; but I do not think it would be quite so necessary, because, in the one instance, when a permanent settlement is made, less attention seems to be paid to the country; in the other, that is, during the operation of temporary leases, the collectors are more vigilant, more active, and necessarily, at times, more careful to ascertain the state of the country.

872. You mean to refer to the improvement in the revenue of the country, and not the improvement of the land?—I allude to both. 5 Mar. 1830. H. G. Christian, Esq.

873. Is it an expensive process by which the conjectural estimate is formed?—No, it was not.

874. By what conjectures is the result arrived at?—The tehsildars, or native collectors, are directed by the Collector, some time previously to the formation of a settlement, to prepare an estimate of the resources of their respective jurisdictions.

875. By what rules are they guided in forming that estimate?—They are left in a great degree to their own discretion; but still rules are occasionally prescribed by the Collectors: such as calling the village accountants before them; taking the accounts for three or four years, to correct the inaccuracies of those accounts; cursory surveys of the villages or estates, sometimes the actual measurement of them: but such is the immense labour and duty imposed in forming the assessment of so extensive a country, that the estimate is still very imperfect, no doubt.

876. If the estimate were framed on an accurate survey of the capability of the land to produce the different articles suited to it, that would occasion a very great expence?—A very great expence.

877. Is not such a survey going on?—I have heard that it is in some parts.

878. You were understood to say that there were some articles of European manufacture which you knew the people had an opportunity of purchasing, of which they did not avail themselves; to what articles did you chiefly allude?—I did not allude to any in particular. The habits of the natives induce them to use their own articles. If European articles should be cheaper than their own, I have no doubt they would gladly purchase them. But they want little; they are generally Hindoos, particularly frugal in their habits, and are wedded to custom in a great degree, which they do not like departing from. If, however, the European articles should be cheaper in the market than their own manufactures, I dare say they would purchase eventually.

879. You say that they do wear imitation shawls?—Yes, I think they do; that is, some do.

880. In what particular do you think the situation of the people is improved?—I think that the security of property and person being established, an improvement has taken place; the people have confidence in the Government, and I think, generally, they approve of the British character.

881. Do you think that their habits remain as simple and their

5 Mar 1830. — H.G. Christian, Esq.

wants as few as they formerly were?—I have had no opportunity of forming a correct judgment; but I should think, from the circumstance of their appearing to use imitation shawls in some instances, and about Calcutta, from the natives occasionally purchasing and using carriages after the European fashion, there seems to be a gradual approximation to the European fashions. But this is more observable in Calcutta, I think, and in the neighbourhood, than in the interior, where they remain much as they did; there may be a little change.

882. Notwithstanding their dislike to change, a few, in fact, purchase European articles of manufacture, when they have the opportunity and the means?—Not always. I think that in Calcutta they seem to like European articles more than they do in the interior; that may arise from their being more associated with the Europeans, and their seeing the articles continually. They certainly purchase carriages; and their houses are better constructed than in the interior.

883. When you said that you thought the situation of the natives was improved, did you mean that as applying equally to those who are residing in the country as those living in the towns?—Yes, I think the whole, or nearly the whole country, as far as I can judge from what I have seen and heard, is improved, in comparison to what it was under the native government.

884. Is there any demand for articles of European manufacture in the country districts, where there are no larger towns?—I have no knowledge myself on the subject; I should think there was a demand to a limited extent.

885. Do you happen to know whether the demand has gone on gradually increasing since the renewal of the last charter?—I have seen accounts exhibiting that the demand has increased greatly. I have no positive knowledge of my own, because I was not for any length of time in the customs department of the service, or in the commercial branch of it; but I understand it has increased from the printed reports I have seen, and that it has continued to increase from the year 1814.

886. Do you conceive that the means which the natives possess of purchasing have gone on increasing?—As the lower provinces are generally considered to be lightly assessed, and in many parts very much under-assessed, I should conceive the means of the natives of Bengal must progressively increase.

887. Have you ever resided in any part of India where the cotton manufacture is established?—I do not recollect any.

888. You are not aware of the effect which has been produced on the cotton manufacture of India by the introduction of European cloths?—I have no positive knowledge of my own. I have heard that some of them have been thrown out of work, but that

is merely in the course of conversation; my knowledge is confined to the land revenue of India.

889. Can you state what is the use which the natives generally make of the savings which you suppose them capable of putting by?—In Calcutta I believe they subscribe to the government loans, many of them; some, I believe, bury their money, or keep it out of circulation; others, again, purchase villages or land: they vest their property in various ways; but some of them bury their money, at least so I think.

890. In the district with which you are acquainted, what was the state of the police in the upper provinces?—As far as I could judge, I should say the police was in a good state.

891. Was there any offence that particularly prevailed in those provinces?—I have no means of forming a correct judgment; my department was quite distinct.

892. Had you any gang robbers there?—I believe there were; but the police, during the latter part of the time, was thought to be in a good state.

893. Are you acquainted with the parts of India in which indigo is grown?—I believe indigo is grown in almost all the districts I have had charge of in the upper provinces, more or less.

894. Has not the cultivation of indigo tended very much to improve the situation of the people with respect to the increased consumption of articles of domestic use?—I do not know.

895. Is not there a greater demand for such articles, and is not there, in fact, a considerable increase of artificial wants in those parts of the country where that cultivation is carried on?—I cannot state positively that there is. The indigo cultivation may have been useful in this respect, that it required a certain capital; it set a certain capital afloat. I think in many instances there have been various disputes consequent on the cultivation; but so far it may have done good, by increasing the capital of the country.

896. Do not you think it has been favourable to habits of industry among the people?—No; I do not think it has had any effect in that way. If the fields should not be cultivated with indigo, they would be cultivated with something else; and a certain degree of labour is necessary to keep up the cultivation.

897. Can you speak as to what arrangement has taken place in the old provinces, where the perpetual settlements have been established, in cases where the zemindar failed and the estate was brought into the market?—It was sold at public auction, which I considered a very objectionable process.

898. Some years ago instructions were sent out, were they not, by the East-India Company, in consequence of the failure

5 Mar. 1830.

H. G. Christian, Esq.

of so large a proportion of the original zemindars, that in those cases a ryotwar settlement should be attempted instead of resettling the estate on a permanent footing?—I do not exactly know what instructions were sent out; but of late years there has been a disposition on the part of government to avoid sales of land in the upper provinces; but in the lower provinces the system continues as before; that is to say, lands are sold, and occasionally invitations for farming the lands of defaulters are held out. Sales are not so common as they used to be, certainly.

899. You are not aware in what number of cases of that kind a ryotwar settlement has been attempted?—No.

900. While you were in charge of that district in the upper provinces, did you bring many of those estates to sale?—Very few.

901. Why did you say that the selling by auction was a bad practice?—Because I think it had the effect of driving people to desperation. Though the process of sale may be just in principle, its practical effect is bad; for instance, the proceeds of sale may not equal the balance; and various other objections might be stated.

902. Do you mean to say that they do not get a full price by this mode of sale?—I think it is forcing the sale; it ought to be left to the land-owner himself: he would effect a better sale, and not be so dissatisfied.

903. Is it never done by the connivance of the zemindar?—Various frauds are practised in the process of sale; collusive transfers take place; and frauds have been practised both in the sale and purchase.

904. In a case where a sale is disputed between different parties, is not that mode of sale preferred to any other?—I do not know whether it is or not.

905. In the upper provinces in which you have chiefly resided, have you observed any progressive improvement in the state of agriculture?—I cannot state that I have myself observed it; but from the concurrent testimony of the natives generally, it is clear that the cultivation has extended very considerably in many parts of the upper provinces.

906. Has it been not only extended, but improved in process?—I do not think there has been much alteration in the process.

907. Is there more capital laid out in agricultural produce than when you were first employed in those provinces?—I do not know that there is more laid out: but I should conceive, as the cultivation has been extended, and as the people must have the means of extending it, therefore more capital must have been laid out.

5 Mar. 1830.

H. G. Christian, Esq.

908. Are the Committee to understand that the imitation shawls you have mentioned are the only articles of British manufacture you have known to be in request or purchased by the natives of the interior?—No; I dare say there may be various other articles of British manufacture in request, such as woollens or cloths and various other articles; but I think I have observed, during late years, that some few natives when dressed had a shawl on in winter, which appeared to me to be an imitation shawl. I do not mean to infer that other descriptions of shawls, such as cashmere, are not in use.

909. You have seen other articles of British manufacture?—Yes.

910. Do articles of British hardware find their way into the interior of India?—I have no means of judging of that.

911. In cases where property comes for sale under a zemindary settlement, has the government the power to make a variation in its demand, or does the demand continue the same as under the former settlement?—The demands continue the same as under the former settlement, unless there should be no bidder; then the government sometimes buy in the lands, and order a re-settlement to be formed.

912. Do the government fix any price at which the property should be sold, or do they only do this where there is no bidder?—They do not fix the price, at least so far as I can recollect.

913. Is there any discretion left with the officer of government to buy in the land, or must it be sold?—I do not recollect whether any discretion is distinctly given by the government; but of late years the Collectors have frequently exercised a discretion, and unless the property sells at tolerable prices, they postpone the sale, or they buy it in for the government.

914. Has not the cultivation of indigo been much improved of late years?—I have no means of forming a judgment.

915. That is quite unrestricted, is it not?—Yes, I believe it is.

The witness is directed to withdraw.

COURTENEY SMITH, Esq. is called in, and examined as follows:—

C. Smith, Esq.

916. You have resided in India?—I have.

917. What situation did you hold latterly?—I was Judge of the Sudder adawlut.

918. For how many years?—I think for eight years; from 1819 to the end of 1827.

919. What are the duties of the court of Sudder adawlut?—To decide causes.

920. Has it no other duties?—It hears reports read from the

5 Mar. 1830. interior, and it corresponds upon them with the government through its Register.

C. Smith, Esq.

921. The court of Sudder adawlut reviews the conduct of all the inferior Judges and courts, does it not?—The conduct of all the inferior courts, Judges, and Magistrates, is liable to review by the Sudder court.

922. Are reports made of inferior courts and of the number of causes, or of any circumstances connected with the police of the country, regularly sent to the court of Sudder adawlut?—Always; periodically.

923. Does the Sudder adawlut make a report on those returns to the government?—Always, through the Register of the Sudder adawlut.

924. From what officer of the government does the officer of the Sudder adawlut receive the opinions of the government on any of those points?—From the Judicial Secretary.

925. Are those gentlemen who are appointed Judges of the court of Sudder adawlut always educated in the judicial line?—Not necessarily from the very commencement of their service. Sometimes they go into the revenue, or other line.

926. For how long a period have they generally been in the revenue line before they are placed in the judicial line?—It varies so much, it is impossible to give a general answer; any one may be appointed whom the government chooses to select.

927. Whether he has a knowledge of law or not?—It rests with the government to decide on his qualifications.

928. Usually they have passed some of their time in the judicial line?—I do not recollect a man coming quite raw into the Sudder; that is, without having ever been in the judicial line.

929. Is there any advantage to a judge in having been for a considerable period in the revenue line?—I should think there was; because a great number of cases are greatly connected with the revenue, and therefore the practical experience he has had in the revenue must assist him in deciding those causes.

930. Do you think that any practical advantage would be derived from uniting the revenue and judicial authority?—No; quite the contrary.

931. It is, however, to a certain extent united, is it not?—I am told very much, since I left the country, under Lord William Bentinck.

932. Are you aware that any inconveniences have arisen from the union of the two authorities in the Madras territory?—I know nothing of these matters in the Madras territory.

933. Have the goodness to assign your reasons for thinking that the union of the two authorities has been or would be pro-

ductive of inconvenience in Bengal?—I should think that a Judge, in cases between government and individuals, might have too strong a revenue feeling if he was at the same time a revenue officer; and I believe, upon that principle, it was a fundamental part of Lord Cornwallis's system to keep them separate.

934. Are the Regulations of government submitted to the court of Sudder adawlut for their approval, before they are passed?—It rests entirely with the government.

935. Is that generally done?—I think it is generally, on judicial matters. The government first corresponded with the Sudder, for the sake of getting their opinions.

936. Does the Sudder ever suggest any alteration of the laws to the government?—Frequently; indeed every judicial and revenue officer is at liberty to suggest alterations, and those suggestions are sure to reach the government through the proper channels.

937. Do they ever suggest alterations?—Yes, frequently.

938. Are there any published commentaries on the Regulations?—I do not recollect any particular book or pamphlet I could refer to; they are open to observation, of course, every where.

939. In the Sudder, who examines the witnesses?—The Registrar.

940. He being an European?—Yes, and a Company's servant; but the court is of course at liberty to call any witness before it that it pleases. The general practice is that the Registrar examines.

941. Are they ever examined by the native officers who attend the court, either in the Registrar's presence or not?—Never, that I recollect; in the Sudder they are always examined by the Registrar. The native officer writes down the deposition, but he has nothing to do with putting the questions.

942. Does the Registrar obtain that perfect knowledge of the language which enables him to understand the entire answers given?—As far as I recollect of Registrars, they were all equal to their duty. In this respect Mr. William MacNaughten, the present Registrar, is particularly so.

943. Is the character of witnesses such as to enable you to attach great credit to their evidence; do you believe them on their oath?—To be sure I do. Having frequently decided cases according to their evidence, of course I believed it.

944. Are their characters such in general as to enable you, without apprehension of being wrong, to decide upon the evidence that is given before you; or do you look with suspicion

5 Mar. 1830. to the evidence of the witnesses?—Yes, I think we do; but we are obliged to come to a decision.

C. Smith, Esq.

945. Are you of opinion that it would be possible, and consistent with the ends of justice, to introduce trial by native jury into the courts of India?—I have never formed an opinion upon the subject; indeed I never thought about it; it was not my province to speculate on those matters. I merely discharged the duty that came before me.

946. Do you think the union of the natives with the Europeans on juries in Calcutta will be productive of advantage?—That is beyond my province. I have no opinion upon the subject.

947. As far as you are enabled to form an opinion of the character of the natives, and their competency, do you think they are competent to higher situations than they have hitherto occupied?—I think they are clever, shrewd men; but their character is open to suspicion: they are intriguing generally, and supposed to be corrupt.

948. Is much business done by the Sudder aumeen, or chief native judge?—He has causes referred to him by the Judge.

949. Have complaints been made of their decisions, or are they generally considered good?—I think they are generally pretty good.

950. To what extent do the Sudder aumeens decide native causes; to what value?—I do not distinctly recollect. I think 500 rupees; but I understand it has been increased since that to 1,000.

951. To what extent does a munsiff decide causes?—The munsiff, I think, has various capacities.

952. State what they are?—It is laid down in the Regulations. They give him three capacities; one as aumeen, or referee; another salis, or arbitrator; the third, that of munsiff. In the capacity of munsiff he receives suits originally; and there, I think, he is limited to fifty rupees.

953. Is much business done before him?—Oh yes, he has plenty of employment; but as I have not been in the interior for these eight years, I speak from a vague recollection.

954. Do you think that any practical benefit is derived from the power of appeal to the King in Council in this country?—None at all; quite the contrary, I think. There is an immense time in deciding; in fact we never hardly got a decision. It depreciates property, and throws every thing into doubt. It was understood, indeed, that this appeal was merely for the purpose of asserting the King's supremacy, and that it was never looked to as likely to be practically productive of any effects that were beneficial beyond that.

955. Upon the whole, are you of opinion that the provincial

courts administer substantial justice to the people?—Yes; where there are good judges. It depends a good deal upon the officers. Upon the whole, I think they do themselves great credit. 5 Mai. 1830. C. Smith, Esq.

956. In what manner is the police of the interior organized? —It is under the police darogahs.

957. By whom are the policemen appointed?—By the Magistrate.

958. And removeable by him?—I rather think they are not so removeable, but that he must report their conduct to the court of circuit. That, perhaps, has all been altered under Lord William Bentinck; but it was so to the end of 1827.

959. Can they arrest any person without special authority given them by a Magistrate?—Yes, on the charge of an individual; or even on a strong suspicion, in the greater crimes.

960. Have you understood that oppression has been committed by them in the execution of their duties?—They are thought exceedingly corrupt; I believe incurably corrupt, with their present allowances.

961. Have you ever considered in what manner the constitution of the police body might be altered, so as to make them efficient instruments of justice?—No, I never speculated upon the subject; but an increase of salary, I think, would improve them.

962. What is the state of the police at Calcutta?—That is not within my province as a Judge of the Sudder.

963. Are you acquainted with it?—Very imperfectly. I may have heard it as a topic of conversation, but I never turned my attention to it; I never had any thing to do with it.

964. Are you aware whether it is a good police for the prevention of crime?—I understood that offenders were apprehended pretty quickly. Not good for the prevention of crime, but for the apprehension of criminals rather.

965. In what position do you understand the half-castes to stand under the strict letter of the law?—Upon the same footing as natives; there is an express Regulation to that effect; and in the interior they are treated as natives in all courts of civil and criminal justice.

966. To what extent are Europeans living in the country subject to the provincial courts?—By the last Act of Parliament, I think, a Magistrate may fine an European for violence to a native to the extent of £50 or £500 rupees. It is exactly according to the last Act of Parliament which was passed on the last renewal of the Charter. Under the provisons of the same Act they are liable to be sued in the civil courts of the interior also.

967. If an European in the upper provinces, a thousand

5 Mar. 1830. — C. Smith, Esq.

miles from Calcutta, inflicted any injury on a native, of so great a magnitude as not to be cognizable by a provincial court, in what manner would the native obtain justice?—By going to a Magistrate.

968. Supposing that were not decidable by a Magistrate, what would be done?—The Magistrate would take the evidence, and report it to the government in Calcutta. He is bound by Regulation to hear such complaints.

969. What would be the proceeding on that report?—The government would judge whether it was fit to bring the case before a grand jury.

970. Have such prosecutions taken place?—Frequently, I believe.

971. Has it not been more usual to proceed by a commission of inquiry?—Not in such cases.

972. In cases of corruption, for instance?—I do not at this moment recollect any case of a man being brought before the supreme court for corruption. The usual course in such cases is a commission of inquiry; but government, the charge being proved, might of course prosecute.

973. Whether that individual be brought before the supreme court or not, must it depend on the will of the government, and not on the will of the native?—Any native, I suppose, may go before the grand jury.

974. Has he the means of bringing the individual up to Calcutta?—If the grand jury find a bill against him, he will be soon brought up. The complainant has his choice; if he mistrusts the Magistrate, and chooses to go to Calcutta, he has the ordinary redress of persons proceeding in that court against persons who have injured them.

975. If he goes to a Magistrate, and not to Calcutta, the Magistrate reports upon the case, and that report is sent to Calcutta, and then it depends upon the government whether any thing shall be done or not?—Such cases occur very seldom; but, upon recollection, I believe a Magistrate, in the greater crimes, has power to take the evidence and himself commit the individual. That part of the system, however, is entirely out of the jurisdiction of the court of Sudder. I had nothing to do with what a man did, as a Magistrate, in the case of a European; that rested between the government, the individual, and the supreme court.

976. If a prosecution took place, at whose expense would it take place?—I should think if it went through the government, and they thought it a proper case for prosecution, that would be at the expense of Government.

977. Has the native the means of prosecution?—He goes to the grand jury, if he likes it; and then he takes every thing

upon himself of course, if he does not require or does not choose to seek the aid of government. 5 Mar. 1830.

C. Smith, Esq.

978. What is done if he has no pecuniary means?—Then he cannot do any thing, I suppose.

979. Can he sue *in formâ pauperis*?—I cannot say; indeed I rather think that does not apply to criminal prosecutions.

980. Can you state to what extent the statute law of England applies to India; what portion of it applies to India?—I understood that all Acts of Parliament that existed up to the time of creating the supreme court extended to India, and after that it requires to be specified in the Act.

981. The laws lately passed for the purpose of altering the criminal law of this country do not apply to India, do they?—I do not know, I do not recollect. I had nothing to do with that.

982. The Mohamedan criminal law has, to a great extent, been altered by the Regulations, has it not?—Yes; it has been modified. Mutilation has been put an end to, and some rules of evidence have been modified; the rule about female evidence has been modified. The Mohamedan law of evidence requires two women for one man; but according to our practice, a woman is thought as good as a man for a witness.

983. You cannot state whether the modifications have been the same at the three Presidencies?—I have no knowledge of the other Presidencies.

984. Has the native Mohamedan or Hindoo a power of bequeathing his property as he pleases, or at his death must it necessarily be divided?—I am not deep in Mohamedan or Hindoo law. When the questions came before me as a Sudder Judge I got the assistance of the law officer for the particular case; I never studied those codes systematically.

985. The duty of the Sudder Judge is to understand the Regulation law?—To that much he is bound by his oath; he must be guided by the Regulations.

986. The Hindoo and the Mohamedan law he takes from the native officers?—Some men, who have the curiosity or a turn for that study, pursue it systematically; but if a Judge has not done that, he must refer to the law officer, making use of such checks as English books upon the subject may give him on the exigency of the moment.

987. You do not know whether property is, on the death of a Mohamedan or Hindoo, necessarily divided?—By the Mohamedan law, to the best of my recollection, it is; except that portion of it which he has a right to dispose of by will, in cases where he has exercised that right.

988. Is it by the Hindoo law?—Yes, I think it is by the Hindoo law also.

5 Mar. 1830.

C. Smith, Esq.

989. Is that a matter of necessity, or is it at the will of the testator?—With the Hindoo I take it to be necessary; but a Mohamedan may bequeath to a certain extent; one-third, I think. I speak, however, from a very vague recollection. That portion he may bequeath away as he likes; but the remaining two-thirds are to be divided, according to the law, amongst his heirs.

990. Did the country appear to increase in prosperity whilst you were there?—In what sort of prosperity?

991. Wealth.—I have no particular knowledge of the wealth of the country. I did not observe the natives become richer or poorer. It appeared to me they were much the same as they were in the year 1792 when I first went there.

992. Is the court of Sudder adawlut a court of appeal from the inferior courts?—Yes; it is the chief court of appeal.

993. Are those appeals very frequent?—Sometimes more, sometimes less; certainly they are frequent upon the whole.

994. Upon the whole, should you say that they have become more frequent of late years?—It depends a great deal on the court being popular or not. Sometimes natives appeal to it from the desire to get their cases there; sometimes they are apprehensive they shall not get any thing by their appeal.

995. Do the natives in general appear to have an increasing confidence in the decisions of the court, which induces them to appeal to it?—That depends upon the popularity of the court; for popularity is an uncertain sort of thing; the court that was once popular is not always popular. The tide of business ebbs and flows accordingly.

996. The natives are very observant of the state of the Sudder adawlut, and govern their conduct accordingly?—I should apprehend that every man, in deciding whether he would appeal or not, would advert to the character of the court and judges before whom his appeal is to be brought.

997. What is the sort of expence attending an appeal to the Sudder adawlut?—I do not recollect; there is the price of the stamp paper, more or less, according to the amount of the suit; then there is the expence of vackeels; that is, the fee of the native advocates.

998. Do you conceive it is the amount of expence which deters many natives from appealing, from poverty?—I should think it did in many cases; but paupers are admitted to appeal.

999. Is it still much cheaper than the supreme court?—I have understood that the supreme court is much more expensive than the native courts.

1000. Do you remember the number of appeals in any one year to the Sudder adawlut?—No.

1001. Can you remember the number of arrears?—Three or four hundredwas, I believe, the number when I came home.

1002. Is the number increasing?—I have heard that they have increased.

1003. Are any native officers employed in the court?—All the writers in the court are native officers; all the penmen in the native languages, and all the advocates, are natives; they are all natives, except a few half-castes, perhaps, who copy English.

1004. Do the natives discharge the duties that attach to them with accuracy and ability?—I think they are, certainly, accurate and able.

1005. As much as Europeans would be under similar circumstances?—Quite so, I think; but I stop short at accuracy and ability.

1006. You mean that you exclude integrity?—I think that a very supicious point.

1007. Do you conceive that deficiency of integrity to arise from something fundamental in the native character, or from the low emoluments attached to their situations?—Government thought, in Lord Cornwallis's time, that even European integrity might be increased and secured by increase of salary. I suppose it is pretty much the same with regard to the natives.

1008. Does it occur to you that any material improvement might be effected in the constitution of the court of Sudder adawlut?—No, provided it is still what it was when I left it.

1009. What time would it take to get through an arrear of three or four hundred causes?—That must depend a great deal on the nature of the suits in appeal. I should think, on an average, if they are well weighed and well decided, it would take very little short of two years.

1010. The court is two years in arrear, in short?—I should think about that.

1011. In the course of your practice have you found that the Hindoos are, when properly sworn, under the due influence of an oath?—I think that an oath has an influence upon them, but that influence may be overpowered by other influences. I do not think they totally disregard an oath.

1012. Is there great care necessary to be taken in administering the oath according to the form of the respective castes of the natives?—It always has been administered, as far as I recollect, according to the established forms.

1013. Is not great care necessary in the administration to prevent their evading the oath?—I do not suspect them very

5 Mar. 1830.

C. Smith, Esq.

much of evading an oath, because there has been something informal in the way of administering it.

1014. In a case of half-caste evidence, have you found there is any difference in the confidence to be placed in half-caste evidence, and the confidence to be placed in native or European evidence?—I have been very much in the habit of considering half-castes as natives; the only legal system in the interior is that.

1015. Have you practically any reason to receive the evidence of half-castes with more jealousy than the evidence of an European?—I should think it very near the native; but this is a nice point to decide upon.

1016. You do not think that a native will try to evade telling the truth before a court of justice, in consequence of any informality in applying the oath of his caste?—No, I should think not. He would think himself bound by his oath, even when so administered; and it would depend upon the stimulus applied to overpower that feeling; for example, whether he was bribed, or had any strong prejudice or an interest in the case. I think the oath would have some weight with him under all circumstances.

1017. You have stated that the appeals to the Privy Council were considered merely for the purpose of asserting the supremacy of the King?—We always understood so.

1018. In point of fact, are you aware whether the appellants on those occasions are in the habit of putting themselves to expence, by appointing agents in this country for prosecuting those appeals?—I have heard that they have in some cases. I believe their cases fail if they have not an agent; they fail for non-attendance.

1019. Those appeals cannot proceed unless they appoint agents?—No.

1020. Is not that the reason, probably, why nothing has been done in those cases?—That depends on what is the practice here. We saw in Calcutta there was an enormous delay, and we represented it to Government, and the Government, I understood, represented it home; but I never heard that their decisions were, in consequence, made more speedily; I believe they are as dilatory as ever.

1021. Could they proceed without agents having been appointed to prosecute them?—The Privy Council know that; I do not know. I have heard of cases being thrown out because there was no party or agent attending. We have got intelligence once or twice of their being struck out for non-appearance; but any decision on the merits I do not recollect.

1022. By the Act of Parliament, parties not personally sub-

ject to the supreme court may agree in writing to submit civil suits to the authority of that court; are you aware whether that has been done at all?—I believe it has been very rarely done.

5 Mar. 1830.

C. Smith, Esq.

1023. Do you know an instance of its having been done?—Yes, I have heard of instances: but in the interior they have a great aversion to the supreme court.

1024. What is the nature of the oath which is administered to the Hindoos?—It is very much like ours.

1025. By whom do they swear?—Eshur is put for God; it is a very similar oath.

1026. Is it of the same kind as the oath made by the Mohamedans? - It is laid down in the Regulations; it is the same oath always; but for the Hindoo one oath, and the Mohamedan another; it is never deviated from; it is the oath appointed by the Regulations, and transcribed into the code.

1027. Do you think that the sanction of an oath is more respected by a Hindoo than a Mohamedan?—No.

1028. You mentioned that you had never known of any person appointed to the situation of Judge who was absolutely raw?—I meant raw in the sense of never having been in the judicial line.

1029. Have you known persons appointed to those situations in the Sudder who have been extremely deficient in competent knowledge?—I do not recollect having any colleague of that description that goes back for eight years; but I cannot carry back my recollection to all the Sudder Judges from the time of my entering the service. I should think there was no one who would answer to that description; it appears to me inconceivable. But there may be a question as to what is a competent knowledge, whether it means knowledge of the Regulations, or of the Hindoo and Mohamedan law, or what is the quantum of knowledge that would be allowed to be competent.

1030. Have you witnessed great disadvantages in a member of the Sudder, arising in any case from a want of what appeared to you an adequate knowledge?—I really cannot say, nor have I any idea that any of my colleagues have been utterly incompetent. I do not recollect a man being taken directly from the trade line; any commercial resident being appointed to the Sudder. A man so appointed I should call raw.

1031. What is the shortest period during which any person you recollect having been appointed to the situation of Judge in the Sudder adawlut had been previously in the judicial line? —That I cannot answer. I do not recollect what was the shortest time; I think they were always judicial servants.

1032. What standing must a man have before he is appointed Judge to the Sudder adawlut?—There is no objection if he can

5 Mar. 1830.

C. Smith, Esq.

hold the salary. The limitation as to time has been annulled of late.

1033. Is there not a system of appeal established in India from the lowest court to the highest?—Yes; I think any case may come, on special grounds, to the Sudder.

1034. Is not that sufficient to lead to a great deal of litigation which is injurious?—Yes, I think it has been carried too far; the natives keep up a cause as long as they can.

1035. Do you think any inconvenience would arise if the power of appeal were more limited?—I think that that was a good rule, that the Sudder might admit an appeal whenever they thought the substantial justice of the case required it; but that rule, I have heard, has been done away with. I think that was a good rule, as it respects the justice of the case, but it has increased the number of causes and delayed the business. While the appeal was admissible on the ground of substantial justice not having been done in the lower court, it had an effect in keeping the lower court in order. A Judge would be more careful in his decisions when he saw that there was an appeal given to the Sudder, than where he was the final decider.

1036. You do not think it would produce a great advantage to make the decisions of the courts final, within certain sums, in all cases?—It would be productive of convenience, as far as it saved trouble, expense, and delay; but I should think the justice of the decisions would be better secured by keeping the appeal open.

1037. Do you think the saving of delay of no consequence in the administration of justice?—Substantial justice might be better done where an appeal was open to the Sudder, from an idea prevailing in the lower courts of its being so open, because, that involving a revision of every thing done, I think that a Judge would be more careful in his decisions. It would operate as a check. The saving of delay, however, is undoubtedly a matter of moment.

1038. Does not a great proportion of the business in the courts arise from appeals from court to court?—In the upper courts, of course, it must arise almost entirely from the appeals.

1039. In the provincial courts there is a power of receiving appeals from the court below?—Yes; they are courts of appeal: to hear appeals is the original purpose of their institution.

1040. Does not a great part of the business of those courts which have the power of receiving appeals arise from that source?—They are appointed as courts of appeal; that is a very material part of their duty.

1041. No oath is valid that is administered to a Hindoo except by a Brahmin?—It is always administered by a Brahmin.

1042. And on the water of the Ganges?—A written declaration is sometimes made instead of that. Where a native makes objections to taking the Ganges water into his hand, if he is a respectable native or of a caste that requires it, the courts indulge him with signing a declaration that he will speak the truth.

1043. Is not the code of law administered in the Sudder courts rather intricate and complicated?—We have no code at all hardly in our Regulations, except as to the forms of proceeding; there are no particular laws laid down. The forms, so far from being intricate, are exceedingly simple.

1044. There are the Hindoo and Mohamedan laws, and regulations?—Yes; the Regulations relate to the mode of conducting the case, principally; how we shall receive the plaint; how we shall take the answer, and so on.

1045. Do not you think that the system which now prevails is susceptible of consolidation by the union of the two codes, the Mohamedan and the Hindoo?—I do not see how they are to be united, unless the Hindoos become Mohamedans. The Mohamedans cannot become Hindoos.

1046. Are you aware of the consolidation of a more intricate system having taken place in the Island of Ceylon?—No; I am totally ignorant on that subject.

1047. Do you not think that it would be an advantage that the education of a Judge in the Zillah court should be exclusively professional?—No, I do not see how it would be an advantage that it should be exclusively professional; his knowledge of revenue, for example, is of great use. It was always the case in Lord Cornwallis's time, that he passed through the revenue to the higher offices in the judicial line; he became a Collector after having been a Register; then he went on to being Judge; and it was thought his knowledge of revenue was of great importance to his being an efficient Judge.

1048. The provisions of the Mohamedan law, as to the method of ascertaining the credibility of witnesses, have been a good deal altered by the Regulations, have they not?—I do not recollect any thing upon that subject.

1049. You have stated that the half-castes were considered as natives; are they made subject to the Mohamedan or to the Hindoo law?—In the criminal courts to the Mohamedan law. The law of the criminal courts in the interior is the Mohamedan law. The Mohamedan law officer always gives his futwah, and the sentence passes upon that. In the civil courts there is a rule that the defendant's law shall be followed. It would depend, therefore, on the situation in which the half-caste stood.

1050. Do you class them according to the religion of their mothers?—No; that is never adverted to that I know of. I

5 Mar. 1830.

C. Smith, Esq.

never heard them asked whether their mother was a Hindoo or a Mohamedan.

1051. Is there any distinction between the half-castes residing within the district of the supreme court of Calcutta and those in the interior?—They are all subject to the jurisdiction of the supreme court in Calcutta, being in that respect on a par with Europeans.

1052. What is the civil law administered in the provinces?—The civil law is Mohamedan and Hindoo.

1053. According to the religion of the individual?—Yes; if the parties are both of the same persuasion.

1054. If one is a Hindoo and the other a Mohamedan, what is the rule then?—I think that the defendant's law is followed.

1055. Supposing the defendant to be a half-caste, by what law is that cause decided?—That depends on the nature of the case. There cannot be any question of inheritance between them.

1056. In any civil suit not connected with inheritance, what is the rule?—I really do not recollect a precedent for that.

1057. Would not a half-caste, if his mother was a Mohamedan, be considered a Mohamedan; and if his mother was a Hindoo, be considered a Hindoo?—No; that idea is perfectly novel to me; I do not recollect such a point.

1058. What would be done in that case?—The case is, as far as I recollect, unprecedented.

1059. Do you mean that the case has never occurred?—It might be a point decidable under the General Regulations, or under the Revenue Regulations, or on a written contract; in which cases the difference of persuasions would hardly be adverted to.

The witness is directed to withdraw.

WILLIAM MALCOLM FLEMING, Esq. is called in, and examined as follows:—

W. M. Fleming, Esq.

1060. HAVE you resided in India?—I have.

1061. In what capacity?—In the judicial department.

1062. What situation did you last hold?—I held the situation of second Judge of the Court of Circuit for the division of Patna.

1063. Were you not directed to make some inquiries respecting the manufacture of opium?—Yes, I was.

1064. Have the goodness to state the object and nature of those inquiries?—The object was to ascertain the cause of the opium of a particular season, I think 1824–5, having sold so badly in the China market, in fact, a great proportion of it being

5 Mar. 1830.

W. M. Fleming, Esq.

almost unsaleable; and, in consequence, those who had purchased at the Company's sales made an application to Government for a remuneration for losses sustained in consequence of the badness of the article.

1065. Was it only in that year that the opium appeared to be much deteriorated?—I am not aware that it was considered bad in any other year.

1066. Did you ascertain the cause of the deterioration?—Yes; I stated my opinion of the cause of the deterioration, and how it had happened.

1067. Have the goodness to mention it?—It appeared to me that it was chiefly caused by a quantity of leaves being mixed with the drug at the time it was forming into balls. It is sent to the China market in a particular form, made up with a crust of leaves round it, and the people who were employed in making it up added a considerable quantity of leaves to it.

1068. Was that merely the result of carelessness?—I am afraid of fraud on the part of the natives who were employed in the preparation of it.

1069. Was there neglect on the part of the opium agent?—I cannot positively say; but I think he was not sufficiently attentive in checking the frauds of the natives.

1070. The sum paid back by the Company was large, was it not?—It was.

1071. Do you recollect how much?—Twelve or thirteen lacs of rupees.

1072. Is there any natural inferiority in the Bahar and Benares opium to that of Malwa?—I think there is.

1073. Can you state the proportion of that inferiority?—I think it is about one-fourth less strong than that of Malwa; that of Bahar contains one-fourth less narcotic principle.

1074. Would it be impossible, by any alteration in the manufacture, to give to it the strength of the opium of Malwa?—I should think that would be almost impossible; I think that the difference is in some degree owing to the nature of the climate.

1075. Are you aware that the treaties formed with the princes of Malwa, respecting the delivery of a certain quantity of opium, and the restriction on its cultivation, are now abandoned?—I am not.

1076. Assuming that they are now abandoned, and that the export of opium from Malwa was free through all countries not under the influence of the British government, what effect do you conceive that will have on the Company's sales of opium?—I should suppose very considerable, but I have no information upon that subject; I am not aware what quantity has been exported. I am not acquainted with the China trade at all.

5 Mar. 1830.

W. M. Fleming, Esq.

1077. Is the difference in the value of Benares and Malwa opium in the China market about one-fourth?—I believe not so much; I only speak with respect to the quality and strength of the drug.

1078. There is a peculiarity of taste in the Chinese with respect to opium, is there not?—There is.

1079. Do they prefer the Malwa?—I have always understood that they preferred the Patna.

1080. They have not any taste for the Turkish opium, have they?—Not until of late years; I have understood that they have had a greater taste for it of late years.

1081. What is the comparative price of the Turkish and Indian opium in China?—I really do not know.

1082. Have you ever resided in any parts of the country in which salt was manufactured?—No, I have not.

1083. Or cotton?—No, never.

1084. Have you ever observed any injurious effect produced on the internal commerce of the country by the transit duties? —No, I am not aware of that; but I am not acquainted with that subject.

1085. Do you apprehend that the natives are enabled, at the present price of salt, to obtain as much as they want?—I am of opinion they would consume more if it were cheaper.

1086. Do you think that the revenue would be increased by increasing the quantity sold and diminishing its price?—I should think it would.

1087. You acted as Judge for some time, did you not?—I did for the greater part of the time I was in India.

1088. Had you the appointment of the police in your district? —I had at one time; not latterly.

1089. Was a different arrangement made with regard to the appointment of them?—I was first Magistrate, and then Judge of Circuit; since I have been Judge of Circuit I had but little to do with the detail of the police.

1090. In your capacity of Magistrate you appointed the police?—I did.

1091. How is the police governed and organized?—Each district is divided into divisions, called Tannahs, which are superintended by a police officer called a Tannahdar, who has a certain number under him, and to whom all the police watchmen report.

1092. What is the average population of a tannah?—They are so different that I cannot say.

1093. The police varies, probably, according to the population of the tannah?—The size of the tannah is very irregular.

1094. The police would in number be proportioned to the size of the tannah?—Yes. 5 Mar. 1830.

1095. Are there other officers besides the tannahdar?—The village watchmen; they form the local police. *W. M. Fleming, Esq.*

1096. Each village has so many watchmen?—Yes; who are paid by the inhabitants.

1097. The police is distributed in this manner all over the country?—Yes.

1098. It is not brought together in bodies?—No, except at each tannah, there are a number of constables; from ten to twenty-five, under the tannahdar.

1099. Had you frequent or any complaints made to you of oppression on the part of the policemen?—Yes, I frequently had.

1100. Did they appear to be well founded?—Some of them were.

1101. Were the offenders removed?—They were always punished and removed.

1102. There is no other supervisor of the police except the tannahdar?—No, there is not.

1103. There is no other description of police except the tannahdar and the watchmen?—No, there is not; except the burkondosses, or the constables under him.

1104. What is the pay of a tannahdar?—From twenty-five to thirty rupees a month.

1105. What is the pay of a watchman?—It depends on circumstances; he is paid by the village generally—the village community. It is from two to three rupees a month.

1106. In addition to that pay does he hold lands as watchman?—I include that; every thing is included in the two to three rupees a month.

1107. Does he exercise his trade like other persons?—He seldom does any thing besides watching, except cultivating his land.

1108. He is only called on when required, is he?—He is expected to watch every night.

1109. Were the police under your direction numerous?—Yes, they were.

1110. Can you recollect its amount?—I think in the district where I was for the greatest period, there were nineteen tannahs.

1111. What was the amount of the police?—I think there were from ten to fifteen constables in each tannah under the tannahdar, and a writer, the person who takes depositions, and the head constable.

1112. Could the watchmen arrest without any authority

5 Mar. 1830.

W. M. Fleming, Esq.

given them by the tannahdar?—They could in some cases, but not in all cases.

1113. Only in cases of heinous offences?—Yes; murder, robbery, and such cases.

1114. Did it appear to you that it was an efficient police for the punishment or prevention of crimes?—I thought it was perfectly efficient.

1115. Did crimes appear to diminish in magnitude or in number?—Both.

1116. Are offences of a heinous character common?—They were not common in the part of the country in which I was, in the Patna division; such as gang robbery or decoity were not common.

1117. Could you attach much credit to the evidence given before you by the natives; or did you always regard their evidence with a certain degree of suspicion?—I regarded it rather with suspicion.

1118. In what situations were natives employed under you as Judge?—As tannahdars, police officers, and commissioners for trying petty causes.

1119. By commissioners for trying petty causes, do you mean Sudder aumeens?—No.

1120. Did they administer justice well?—In some instances they did.

1121. Were there any munsiffs under you?—There were munsiffs; all the commissioners for trying causes were also munsiffs.

1122. Did they decide a large proportion of the small cases?—They decided a great number of small cases; but they were not Sudder aumeens; the Sudder aumeens are attached to the court at each head station.

1123. Were the Sudder aumeens officers of your court?—There were several of them officers of my court. The Mohamedan and the Hindoo law officers were Sudder aumeens; and there was sometimes an additional one; sometimes two additional ones.

1124. Causes were tried by them under your direction?—Yes; causes were referred to them for trial; but the munsiffs and commissioners in the different tannahs had an original jurisdiction in receiving and trying cases.

1125. Do the Sudder aumeens have remitted cases?—Yes.

1126. Were there many appeals from the decrees of the munsiffs?—A good number.

1127. Were there from those of the Sudder aumeens?—A great number more from the Sudder aumeens than from the

5 Mar. 1830.

W. M. Fleming, Esq.

commissioners or munsiffs; the reason of which I can explain. The munsiffs only try cases of rent and small debts; the Sudder aumeens try cases in which real property is concerned, such as land and houses.

1128. Upon the whole, were you well satisfied with the conduct of the munsiffs and aumeens under you?—No, I cannot say that I was generally well satisfied.

1129. Had you the power of changing them?—Yes I had, when any thing was proved against them.

1130. Did you exercise it frequently?—Yes, in several instances.

1131. What was the salary of the munsiff?—He had no fixed salary; it depended on fees.

1132. Had the Sudder aumeen a salary?—He has now a salary; he had formerly only fees.

1133. Does it occur to you that any great improvement might be introduced into the police establishment?—I know of none, except giving protection to the village watchmen, who are the most useful officers of the police.

1134. Is the village, in any case, rendered answerable for any theft committed within its limits?—Not in the lower provinces.

1135. Is that the case in any part of the country?—It was, but I believe it has been done away; it is not now the case. I understand that when the provinces were first ceded to the Company by the Nawab Vizier (Gorruckpoor and other districts) it was enforced; but it does not now exist.

1136. Is the tannahdar hereditary?—No.

1137. Is there any hereditary officer?—The office of village watchman is generally considered to be hereditary.

1138. Does any other part of the village constitution remain in that part of the country?—Yes; all the usual persons remain in that part of the country, such as the village washerman, the barber, and others.

1139. They are all hereditary?—Yes, they are; at least generally; not always.

1140. That part of the country is under the perpetual settlement, is it not?—It is.

1141. Did the country improve during the time you were acquainted with it?—Very much.

1142. Both in population and in wealth?—Yes.

1143. By what law is property distributed on the death of a Proprietor?—It depends upon whether they are Mussulmans or Hindoos.

1144. What is the Mohamedan law?—By the Mohamedan

5 Mar. 1830. law, as far as I recollect, it is divided among the male and female in certain proportions.

W. M. Fleming, Esq.

1145. Has a proprietor any power of making a will; can he devise property as he pleases among his children?—A Mohamedan cannot.

1146. Can a Hindoo?—I do not think he can. I cannot speak positively, because the law is different in different parts of the country.

1147. Do females inherit under the Hindoo law?—They do not generally.

1148. The Mohamedan property is divided among all the children, and the Hindoo among the sons, and that without any power of willing away the property?—Yes, it is so; but a Mohamedan can give, during his life, property he has inherited as well as that he has acquired.

1149. Can a Hindoo?—No, he cannot in Behar.

1150. Did you observe any practical inconveniences arising out of that system of dividing property: did it prevent the accumulation of agricultural and other capital?—No, it did not appear to have that effect.

1151. Did it appear to you that there was more agricultural capital in the country when you left it than when you went to it?—Yes, certainly, much more

1152. Was there more applied to the cultivation of land?—Yes.

1153. Was there more applied to manufactures or trade?—I do not think that there was; but there was a great deal more land brought into cultivation.

1154. Did the people appear to you more comfortable than when you first knew it?—Much more so.

1155. Were the zemindars becoming rich?—I do not know that they were becoming rich; they were becoming much more extravagant.

1156. Did their extravagance induce them to obtain European luxuries?—No, I do not think it did.

1157. Had the people more clothing than they had when you first knew them, or more comforts of any description in their houses?—No, I do not think there was any very great difference. I think they dressed better, but in a different way.

1158. What was the change?—The change appeared to be that the Hindoos adopted many of the Mohamedan customs in point of dress.

1159. Did you observe any quantity of European manufactures in that part of the country?—No, not a very great deal.

1160. Any cottons?—Yes; some chintz, which were used as

dresses of late years; there have been a good many of them used lately. 5 Mar. 1830.

W. M. Fleming, Esq.

1161. Was there any native manufacture supplanted by the introduction of British manufactures in that part of the country?—Yes.

1162. What manufacture was that?—That of cotton cloth generally.

1163. Those manufacturers were thrown out of employment?—They were, and became cultivators again.

1164. Did a greater quantity of cloth appear to be consumed than had been before?—I cannot say.

1165. There was no visible alteration or improvement in the habits of the people?—No; I do not think there was.

1166. With respect to the substitution of English cotton manufactures for those of the natives, you stated that a good number were thrown out of employment by that; to what did they have recourse for their maintenance?—I do not know what proportion were thrown out of employment, but I understood that some of the weavers were thrown out of employment, and that they of course became agriculturists.

1167. What used they to gain as weavers?—I cannot state that.

1168. Were they much lowered in condition by being compelled to become cultivators of the soil instead of weavers?—For a short time they were; but not permanently, I should think.

1169. Their gains as weavers must have been very low?—I should think very low.

1170. They had no difficulty in turning themselves to another occupation, ultimately as profitable?—They had always been cultivators; they only cultivated a little more.

1171. You do not know to what extent their occupation as weavers tended to raise their condition?—No; I have no means of knowing that.

1172. What extent of territory was under your jurisdiction as Magistrate?—The district of Tirhoot, in which I was for the longest period when I was a Magistrate, was, I think, about 140 miles long by 100 wide.

1173. Had you any jurisdiction over the Zillah courts?—This was a zillah; I was latterly in the court of appeal and circuit court that extended over the whole division.

1174. How many Zillah courts are comprehended in that?—Six, and latterly seven.

1175. Had you any jurisdiction over the Zillah courts?—Yes.

5 Mar. 1830.

W. M. Fleming, Esq.

1176. Of what nature?—The Judges of Circuit hold the gaol deliveries alternately in the different districts under their jurisdiction, every six months.

1177. What was the constitution of the Zillah courts?—It consisted of a Judge, a Registrar, and native officers.

1178. The Judge and Registrar were the only two Europeans?—Sometimes there was an assistant.

1179. Had the Registrar jurisdiction?—The Registrar had a separate court for all cases that were referred to him; he had no original jurisdiction.

1180. What was the duty of the Assistant?—He was sometimes employed in taking depositions.

1181. Was he ever employed in trying cases?—In trying criminal cases of a certain description.

1182. What standing was a young man necessarily of when he was appointed assistant to a Judge?—As soon as he got out of college.

1183. The first or second year of his getting out he had criminal cases to try?—He had.

1184. What was the salary of the Judge of the Zillah court?—From twenty-four to twenty-eight thousand rupees a year.

1185. He had no perquisites whatever?—No.

1186. None of his expences were paid?—No.

1187. What standing must a man be in the service before he could be appointed Judge of a Zillah court?—Generally from ten to twelve years.

1188. Must he have been during that time in the judicial line?—At one time, lately, that was the case.

1189. What standing was required for a Registrar?—From four to five years.

1190. At what age, usually, did a man become a Registrar?—At the age of one or two and twenty.

1191. He tried civil causes?—Yes.

1192. Did he try criminal causes also?—Yes; he acted as first Assistant to the Magistrate.

1193. Was he assisted by native officers?—Yes, to take down depositions.

1194. Did they not also state the law when it turned on Mohamedan or Hindoo law?—Yes, in civil cases they did; but they had nothing to do with criminal cases. In civil cases the Registrar referred to the Mohamedan or Hindoo law officer, as might be requisite.

1195. Did they, in fact, pronounce the decision in those cases?—No, only on the point of law; they had nothing to do

with the evidence; the evidence was not usually submitted to them. If, however, any particular witness was objected to, as being incompetent to be sworn, their opinion was taken in such cases, but not otherwise.

5 Mar. 1830.

W. M. Fleming, Esq.

1196. After hearing the evidence, they were consulted as to the point of law on which the case turned?—Yes.

1197. And he was governed by the advice he received?—Yes, he was.

1198. Did they refer to punchayets much in the division where you were?—No, they did not; there were a few cases referred to arbitration, but it was of rare occurrence.

1199. Had you in any other part of India an opportunity of observing the administration of justice through the agency of punchayets?—I had not.

1200. You were understood to say, that on the death of a proprietor, according to the Mohamedan law, the property was distributed equally among the sons and daughters?—Not equally, but in certain proportions, according to the law.

1201. According to the Hindoo law, it is among the sons only?—Yes; according to the Hindoo law it is amongst the sons only, and in equal proportions.

1202. In the event of there being neither sons nor daughters, how did the property descend?—It went to the heirs; to the next heirs.

1203. Was not that frequently a cause of dispute and litigation?—No doubt it was.

1204. Is there any thing in the Regulations of the Company on the subject of opium that precludes persons, either Europeans or natives, having capital, from embarking in the cultivation of the poppy?—Provided they sell it to the Company, there is no objection; they cannot cultivate the plant on their own account, as no person can cultivate poppy who does not sell the opium to the Company.

1205. Is it probable that any person possessing capital would embark in such a cultivation, if he was confined in the sale of it to the Company?—I do not think it is.

1206. The only persons who it is probable would undertake the cultivation of that drug must be the poorest class of people, who have no money of their own?—They are not a poor class; they are a particular description of people who cultivate opium; the cultivation is confined to a particular description, called queries.

1207. Is it confined by law, or merely by practice?—Merely by practice.

1208. Is not the Company in the habit of making advances to the cultivators of opium?—It is.

5 Mar. 1830.
—
W. M. Fleming, Esq.

1209. Why do they make advances if they are not too poor to carry it on without?—It is considered an advantage to them to have advances.

1210. That must be on the supposition that they have no money of their own?—There are, certainly, some of the queries exceedingly wealthy; I do not know a more wealthy class of cultivators than the queries.

1211. Is it the custom of the Company to make advances to those persons?—They do make advances to all persons who cultivate the poppy.

1212. Whether they want them or not?—They always wish to have them.

1213. Is that necessary?—It has always been the custom.

1214. Is it necessary to pay a rich man beforehand for that you have afterwards to buy?—I cannot speak to that, further than the custom.

1215. You spoke to the adulteration of the opium of 1824-5; did that continue in 1827?—No, it did not.

1216. That was pure?—Yes.

1217. There is a certain price given for a certain quality by the purchasers at the Company's sales in Calcutta?—They do not know the quality of it till it arrives in China.

1218. Is not it examined?—There is a small quantity examined in Calcutta; it was adulterated after it went through the hands of the Collectors.

1219. Do you presume it was not adulterated by the cultivator?—I think it was not; because I think it would have been rejected by the opium agent.

1220. Through whose hands did it pass subsequently between the Collector and the China market?—It passed through the hands of the officers of the agent for the provision and manufacture of opium. It was brought into the warehouse and made up in a particular form; and it is in making it up in this particular form of balls, with a shell of leaves, that the adulteration takes place.

1221. At what period of manufacture is it examined by the Collector?—When it is received from the cultivator.

1222. In what state is it at that time?—It is exactly in the state in which it should be afterwards, but rather more liquid.

1223. Subsequently, what happens to it?—It is merely inspissated to a certain consistence, and made up into balls.

1224. By what description of persons is it made up into balls; are they servants of the Company?—No; they are hired for the occassion by the opium agent.

1225. Are the opium agents paid high?—They receive a

5 Mar. 1830.

W. M. Fleming, Esq.

commission upon the sales, that is, upon the profits, after deducting the expences of manufacture.

1226. Did this adulteration take place to the opium of one district only?—I cannot say; it was in the Bahar division, in the Bahar agency.

1227. Is the manufacture of opium an unwholesome employment?—I do not think it is.

1228. Is the opium that is grown in Bengal supplied to the Company by the cultivators at a fixed price?—It is.

1229. Do you know what proportion that bears to the market price?—I cannot tell exactly without a little consideration, but I know the price that is paid to the cultivators.

1230. Is not the price paid to the cultivators very low indeed, as compared with the market price?—It is very low when compared with the market price.

1231. Do you not think that that restriction on the part of the East-India Company holds out a strong inducement to the deterioration of the opium?—No, I do not think it does. I believe the cultivators are perfectly satisfied at present with the price which is paid for it.

1232. Do not you think that that limitation as to the price places the cultivator under a very strong inducement to deteriorate the article?—No, I do not think it does.

1233. What did you understand by the market price; the sale price at Calcutta?—Yes.

1234. Does the same system of police, or nearly the same, extend over all the territories of the Company, or does it differ much in the old provinces and the newly acquired provinces?—I believe it does not differ much; but I cannot positively speak to that, not having been employed in the upper provinces.

1235. Can you mention generally the difference between our present system of police and that which is supposed to have existed in the better times of the Mohamedan government?—No, I cannot.

1236. To what extent have the provisions of the Mohamedan law, as to the ascertaining the credibility of witnesses, been altered by the Regulations?—The Mohamedan law has no reference to the credibility of witnesses. Sometimes an evidence, from some particular cause, is objected to by the law officer in criminal cases, as not being competent; but his evidence is always taken in such cases, and it may be over-ruled by the Judges of the superior court—the Judges of the Sudder nizamut adawlut.

1237. You have spoken as to the age at which gentlemen are brought forward in the minor judicial situations; what means

5 Mar. 1830.

W. M. Fleming, Esq.

have they now of acquiring a knowledge of the Mohamedan law? —Only by perusing books on the subject; they do not particularly study it.

1238. Are there lectures in the college upon it?—I believe not.

1239. Have the goodness to state what is the lowest rate of earnings sufficient to support a labouring man in India?—It is very difficult to state that; but two rupees a month would maintain him, or probably less.

1240. What is the lowest rate of wages paid to servants?—I think about three rupees a month; in some instances, no doubt, it may be lower, bnt I cannot speak positively to that.

1241. Are the earnings of manufacturers larger than two rupees a month?—I really cannot say.

1242. Did slavery exist in any part of the district with which you were acquainted?—Yes, it did exist, certainly, what is called slavery; but it is by no means what is generally understood by by the term slavery.

1243. Have the goodness to explain what slavery is in that part of the country?—In one of the districts where I resided about three years, there were a good number of bondsmen, and who, in fact, had sold themselves for a certain sum to work for their masters for life; but they might redeem, by paying up that sum, whenever they pleased; it was a species of mortgage of their labour.

1244. What duties did their masters undertake towards them? —I believe it was quite nominal. Those bondsmen did exactly as they pleased; they came and cultivated for their masters when they liked it, or it was convenient to themselves; but I do not know any instance in which they were forced to work contrary to their will.

1245. Had the master the power to transfer his right over them to any other person?—I never knew an instance of their being directly sold.

1246. What was the mode of enforcing the services of the bondsmen?—I believe there was no mode of enforcing it, except by withholding the wages.

1247. Were they subjected to any corporeal punishment?— No, not at all; if they had, they would have immediately complained to the courts, and obtained instant redress; but I never knew such a complaint made.

1248. Is it the practice, in any part of the district with which you are acquainted, for parents to sell their children?—I have heard of it, but I cannot speak to the fact.

1249. Would such sales be considered valid in point of law?

—I am not perfectly certain; I believe they would under the Hindoo law, but not, I believe, under the Mohamedan. 5 Mar. 1830.

W.M. Fleming, Esq.

1250. Have you seen suttees?—Yes, I have.

1251. Frequently?—No, I cannot say that I have frequently witnessed them, and I never was very near.

1252. Did they take place to any extent in your district?—Not in the district of Tirhoot, where I was for a considerable time. It is not at all common there; probably one in the course a year, seldom more, although it is entirely a Hindoo district.

1253. In the neighbourhood of Patna are they more frequent?—They are more frequent there than north of the Ganges. Patna is divided by the Ganges into two divisions. Suttees are less frequent in the districts north of the Ganges than in those districts south of the Ganges.

1254. Is there so much religion attached to this ceremony as to make it dangerous to interfere with it and declare it shall not take place?—I rather think it might be dangerous if it were common in the upper provinces; but it is not common in the upper provinces, but more confined to Bengal, where the people are not likely to be turbulent; I therefore do not think there would be much danger in prohibiting the practice entirely.

1255. Notwithstanding the great frequency of the practice?—Notwithstanding the frequency of the practice, I do not think there is any thing to be apprehended from the Bengalese; they are a different people altogether from those of the upper provinces.

1256. Their religious feeling is stronger?—Yes.

1257. In what manner would you proceed if you wanted to put it down; would you punish all that were present?—No, not all that were present; but the officiating Brahmins and people of that description ought to be punished.

1258. Is it necessary that a suttee should be performed only in public?—I believe it is.

1259. Do you not apprehend, that if it was prevented in public it might take place privately?—No, I think not.

1260. Is notice given of a suttee now by law?—It is not necessary; there is no punishment incurred by not giving notice.

1261. Is notice generally given?—Notice is very frequently given.

1262. How many persons may be considered as officiating at a suttee, so as to be criminal; if a suttee were declared contrary to law, how many are there aiding and abetting?—I cannot say exactly. All the persons concerned in the suttee.

1263. How many Brahmins?—Probably two or three.

1264. The whole family, and two or three Brahmins?—Yes.

5 Mar. 1830.

W. M. Fleming, Esq.

1265. Were not suttees at one time absolutely prohibited by the Mohamedans?—I am not aware whether that was the fact.

1266. It is confined to the highest caste, is it not?—It ought to be confined to the highest caste; it is by the Hindoo law, but it is not by practice.

1267. Did you ever know the Brahmins interfere to prevent a suttee?—I never knew an instance.

1268. Did you ever know a person resist, and forced to submit to a suttee by the Brahmins present?—No, I never knew an instance of that. I have known them get away after having been upon the pile. I saw one instance of that myself.

1269. Was she driven back, or did she finally escape?—She got up and went off.

1270. She was not prevented from going away?—No, she was not; but on that occasion there was a Mohamedan police officer present: of course nothing was put over; she was allowed to burn, or not, as she liked.

1271. She lost her caste by going away, did she not?—Really I cannot tell. The family lost more than she did; it is the family that loses the caste; it is not so much the woman as the family.

1272. Is not a suttee now always attended by an officer of the government?—When information is given, I believe it is.

1273. Suttees have not always been attended by officers of government, have they?—No.

1274. When did that regulation first take place?—I am not perfectly certain, but I think in 1812 or 1813.

1275. Do you know whether the circumstance of an officer attending has had the effect of giving an appearance of the sanction of government to the practice?—I do not think so.

1276. If the wife survives, she inherits a considerable portion of the property, does she not?—No; she is entitled only to food and clothing.

1277. Have you ever conversed with Brahmins on the subject of the abolition of the suttee?—I have not.

1278. You cannot say whether they themselves consider it as highly desirable or practicable to get rid of it?—No, I cannot exactly say.

1279. Have you known of any instance in which a suttee has been prevented by any officer of the government?—I do not. There may have been instances of the kind occurred of their having persuaded women from becoming suttees; but I cannot speak positively to the fact.

1280. Do slaves labour under any legal disqualifications?—I believe, under the Mohamedan law, in giving evidence, there is some disqualification.

1281. You cannot state to what extent?—I cannot. 5 Mar. 1830.

W. M Fleming, Esq.

1282. Are the bondsmen you speak of numerous?—In one district they are.

1283. What proportion do you think they may bear to the general population of the district?—I cannot say, it is so various; and it is only in one very small portion of the Company's territory that they are very common.

1284. Their slavery is of a mild nature, is it not?—Very much so; they are almost children in the family.

1285. What is the name of the district?—Ramgur.

The witness is directed to withdraw.

Ordered, That this Committee be adjourned to Tuesday next, one o'clock.

Die Martis, 9° *Martii* 1830.

The Lord President in the Chair.

Sir EDWARD HYDE EAST, Baronet, a Member of the House of Commons, attending, is called in, and examined as follows:—

1286. What judicial situation did you fill in India?—I was Chief Justice of the Supreme Court in Calcutta. I went out in the year 1813; I arrived there some time in November, I think the 8th. 9 Mar. 1830.

Sir E. H. East, Bart.

1287. How many years did you remain Chief Justice?—I left India of course, having resigned my situation, in the beginning of the year 1822; I think in January 1822.

1288. Have the goodness to describe the constitution of the court over which you presided?—It consists of three Judges. Originally it consisted of four; but the office of one of the Judges was suppressed, to form a fund for the payment of the pensions of the Judges who retired.

1289. About what time did that alteration take place?—Before my time. There are various subordinate officers belonging to the court; there is a Registrar, a Master in Equity, and several other subordinate officers; those are the two principal officers.

1290. Is the number of Advocates who are admitted to plead before the court limited or unlimited?—The number of Advocates depends entirely upon the number the court think proper to call. The power of calling to the bar rests with the court at Calcutta. When I arrived there, I found but three Advocates, the Advocate-general of the Company, and another gentleman

9 Mar. 1830. — *Sir E. H. East, Bart.* who was the second Counsel of the Company; and there was a third barrister there, Mr. Stewart, who was in an ill state of health; and very shortly after I arrived he was obliged to go to sea for some time, in order to restore his health.

1291. At the time he went to sea there was no Advocate before the court but the two Advocates of the Company?—No.

1292. Who then conducted the causes in which the Company was a party?—For a time, of course, there was nobody. If there had been any cause, which I am not aware that there was at that time, in which the Company were concerned, there would have been no Advocate at all during Mr. Stewart's absence; and in consequence of that I wrote a letter to Lord Buckinghamshire, who was at the head of the Board of Control, informing him of that state of things. My son had been called to the bar before I went, and was permitted to go out with me; but as I understood that—although it was not mentioned officially to me, indeed there was no such understanding on the part of the Chairman or Deputy Chairman of the East-India Company, with whom I had personal communication—but as I understood there were some of the Directors that thought it was not proper that the son of the Chief Justice should practise at the bar, I had some communication with Lord Buckinghamshire upon the subject; and I told him that under those circumstances, (not knowing at that time, before I went out, what the state of the bar was,) I should certainly not call my son to the bar without further communication from his Lordship. But, in looking out the papers I have in my hand upon the judicial state of India, after receiving the notice on Saturday morning last that your Lordships desired to examine me, I happened to lay my hands upon the letters which I had written to Lord Buckinghamshire upon that occasion, and the answers* which I received from him; and perhaps a reference to these will be a more satisfactory and certain method of communicating what passed than mere general recollection. I wrote to the Board of Control, under date of December 9, 1813, stating that I thought it proper to mention to his Lordship, as Minister of the Crown for his department, the state of the bar upon my arrival at Calcutta; that there were then only three Advocates, two of whom, the Advocate-general and another gentleman, were the standing counsel of the Company, and the third was in a precarious state of health, which obliged him to retire for the then session to get change of air at sea; that in this state of things I received the most urgent solicitations, both from the

* I had two letters of mine and two of Lord B.'s with me, but I think only one of the latter was read to the Committee, the first being considered sufficient for the purpose of the inquiry. That part of the second letter which referred to the same subject was confirmatory of the first.

9 Mar. 1830.

Sir E. H. East, Bart.

bar and from the bench, to permit my son to practise as a barrister, and I could only prevent the other Judges from calling him, even against my concurrence, by assuring them that I should consider my own honour wounded by it, until I understood from the Chairman of the Company that the objection started by some of the Directors to that measure was withdrawn, or until the President of the Board of Control gave his fiat for my assent, that I should have stated more upon the subject if I had not felt myself individually implicated in the discussion; but that I should not on that account shrink from the duty which I owed to his Majesty, and to the whole profession of which I had the honour to be a member.

1293. Will you now state what was done in consequence of that representation?—I received from Lord Buckinghamshire a letter, dated India Board, June 7, 1814, stating that he had received my letter of the 9th of December 1813, and had immediately sent an extract from that part of it which immediately related to my son to the Chairman of the Court of Directors; but as he was not informed whether he had written to me or not on the subject, he, Lord Buckinghamshire, could have no hesitation in stating to me his opinion, that under the circumstances I have mentioned, and which indeed had been confirmed to him by Sir Henry Russell, I ought not any longer to resist the solicitation of the bar and the bench, with respect to my son's practising as a lawyer in the Supreme court. I stated, in answer to that dated the 20th of December 1814, that in consequence of his Lordship's letter, the other Judges to whom I had communicated it had entirely concurred in it, signifying their intention of calling him at the meeting of the court in the next term; and that the same necessity indeed still existed for a further addition to the bar, for although we had permitted Mr. Lewin, who had before held the office of Master of the court, to resume his practice, after he had resigned his office, and Mr. Stewart had been appointed to it, and although we had also called another gentleman who had practised at the bar at Madras, and had left it for the purpose, yet as Mr. Lewin was about to depart for Europe, the number would be again reduced to three under the circumstances I have before mentioned.

1294. In consequence of that subsequent representation, was any further addition made to the bar?—In consequence of that, and of the feeling which the Judges entertained, that the bar ought to be more numerous, we did from time to time, as opportunity occurred of acquiring barristers, call various gentlemen; and before I left the court, I think there were either eight or nine barristers practising in it.

1295. Is the Commitee to understand that eight or nine was the largest number of advocates at any time permitted to practise during the time you presided over the court?—It was, I

9 Mar. 1830. — *Sir E. H. East, Bart.*

believe, the largest number; but the number was continually increasing during my time. As we were able to get accessions, no barrister with a proper certificate was rejected; but there was one gentleman who was admitted in the course of that time who was not admitted so soon as he applied, because he had come out from England without the certificate which the court before my time required before they admitted any gentleman to the bar; that is, a certificate from two of the Judges in England, testifying their knowledge or belief of his integrity and ability, without which we could not admit him. This gentleman coming out at first without that certificate, we declined calling him then; but he obtained his certificate afterwards, and then we called him.

1296. Do you conceive, from your experience of the business of the court, that the number you have now mentioned is fully adequate to meet the business and the demands of individual suitors?—The business of the court was increasing from time to time, during all the time that I remained. I do not know whether the present amount of business requires more or not; but I see no reason why any gentleman at the bar, obtaining the certificate I have mentioned of his integrity and ability from two of the Judges of England, should not be permitted to go out and practise at the bar. If the bar gets overstocked by those means, it will, of course, stop the going out of more, when any gentlemen who are desirous of going out find that it is not likely to answer for them, at least for some period of time.

1297. The Committee is to understand, that during the time you presided over the court, the business of the court was constantly progressive?—That is more than I can charge my memory with directly stating; but it had very much increased during the time I was there. I think I have seen lately some returns of that kind; and though I did not pay very minute attention to them, not then having my attention called to the subject, I think it appeared that though it did not regularly from year to year progress, it was generally progressive upon the whole.

1298. The idea upon your mind was, it was likely to increase still further?—Yes.

1299. Is the number of attornies of the court limited, and what are the circumstances of that limitation?—There was formerly, and in my time, a limitation of the number of attornies, and the number was, I think, extended more than once while I remained at Calcutta; but whether there is now any precise limit to it or not, is more than I can say; but the number of attornies was much increased while I remained there, and I believe it has been still more increased since I came away.

1300. Do you remember the number to which it was formerly

9 Mar. 1830.

Sir E. H. East, Bart.

limited?—I think the first limitation I heard of was of the number of twelve, and then it got to four, or five, or six more, and then to twenty. It went on as the business of the court was increasing; but there were certainly several of the attornies who were not in good business; they had all of them a little business, but the principal part of the business lay with some four, or five, or six.

1301. Did the increase in each instance take place under the authority of the court?—Yes, certainly; it was the only authority.

1302. Are those attornies exclusively Europeans?—Originally they were exclusively Europeans, but while I was there there were one, or two, or three half-caste persons let in, who had served their regular apprenticeship to attornies under articles in a regular manner, and were persons who conducted themselves very well; and we thought that under those circumstances they had fair claims to be let in to fill those situations.

1303. There were no native attornies who were not half-castes?—No, certainly no Hindoo or Mussulman; nor do I recollect any natives, except half-caste, who had served their time under regular articles.

1304. The court did not consider the circumstance of being a native of any description as a bar to a person being admitted to practise as an attorney, provided he was in other respects duly qualified?—Certainly not while I was there; that is, after we had come to the resolution I have mentioned.

1305. Did that portion of the attornies who were of the half-caste description generally conduct themselves, while they fell under your observation, with propriety and integrity?—With entire propriety and integrity, so far as I saw.

1306. Have the goodness to state what is the jurisdiction of the court over which you presided?—That is a very wide question, and therefore I must give a very general answer to it. After I had been there about two years I prepared a set of papers representing the general judicial state of the Supreme court, and, as far as I had obtained information, of the Provincial courts of the country, which I sent home, intended for Lord Buckinghamshire, who was President of the Board of Control. Unfortunately, he died before the papers reached home, but the papers got to the Board of Control, and have remained there. Those papers enter very fully into the statement which comprises much of the question now put to me; but I can give a general answer to the question. The criminal jurisdiction of the court, within the limits of Calcutta described by the Mahratta Ditch, is general over all the persons living within that local ambit. The civil jurisdiction is also co-extensive over all persons within the local ambit; but with this reservation in respect

9 Mar. 1830.

Sir E. H. East, Bart.

of the native population, that the laws of inheritance, succession, and contract are reserved to the Mussulmans and to the Gentoos, which is the expression made use of, by which was understood generally the Hindoos, and therefore the general law of England, in respect to those particular subjects, did not attach upon them; but all the rest of the civil laws of England, with the distinction to which I shall presently advert, attached upon them that did not touch their inheritance, succession, or contracts, even within the local ambit of Calcutta. The entire common law of England, so far as it was applicable to them, was transferred with the first charter that was granted, in the 13th of George the First; but the statute law of England was only supposed to be transferred by the charter up to that period, but not subsequently, unless by special Acts of Parliament affecting India.

1307. You mean that the laws of inheritance, succession, and contract were administered to the natives, within the limits of Calcutta, by the Supreme court, according to the best knowledge you could obtain of their laws?—Yes; of course, to obtain this knowledge we consulted the Pundits with respect to the Hindoo law, and the Moolvies with respect to the Mussulman law, whenever any points of controversy arose upon those respective laws; and we had also the assistance of many learned works written upon the Hindoo law.

1308. What was the jurisdiction of the court beyond the limits of Calcutta?—The jurisdiction of the Supreme court within the presidency of Bengal, and other provinces annexed, extended over all British-born subjects, and the lawful descendants of British-born subjects. By British-born subjects I must be understood to mean that which I understand the Acts of Parliament to mean, British European subjects, as contradistinguished from native subjects; British European subjects and their lawful descendants. And further, our jurisdiction extended to all natives that were in the service of the Company, and in civil cases to natives contracting with British subjects.

1309. Is the Supreme court also a court of appeal from any inferior courts?—The Supreme court was not, in its original constitution, and for a long period, an appellate court at all from the Provincial courts of the Company; but there was an Act passed, I think, a very little while before I left India, giving jurisdiction over British subjects to the provincial Magistrates and courts over petty trespasses and small matters of that kind, which it was thought burdensome to send to a vast distance to be tried by the Supreme court, which might probably put it out of the power of natives in an inferior situation to sue those British subjects at all; and in those instances, or some of them, there was an appeal given, on account of the parties being British subjects, to the Supreme conrt; and we were required to

make regulations for the conducting of those appeals, which were either actually drawn out or in progress about the time of my departure; but those were in small matters, on account of the heavy expence to be incurred in going hundreds of miles for redress in case of petty offences.

1310. No considerable portion of the time of the Supreme court is occupied in trying cases of appeal?—While I was there, there was no portion at all. Whether that new power of appeal has produced the effect of bringing appeals to the court, I am not informed.

1311. Have you reason to think that that portion of the natives whose interest were brought under the legal administration of the Supreme court were satisfied with the law so administered?—I have every reason to believe that they were perfectly satisfied when I was coming away; indeed they told me so, both Mussulmans and Hindoos. The jurisdiction of the court was exercised, especially on the equity side, very frequently over considerable property belonging to the natives that was locally situated out of the limit of Calcutta, on account of the residence in Calcutta of the native defendants who were sued; so that when a Hindoo of large landed property had a residence in Calcutta, which gave us a jurisdiction over his person, although his property was out of the limits, yet bills in equity were on that account filed against him in the Supreme court, which did, in fact, bring under the judgment of the court a very considerable mass of property belonging to persons of that description living in Calcutta, though the property itself was beyond the limits; and I have every reason to believe that the natives were perfectly satisfied with the judgment of the Supreme court upon all matters of that description that were brought before the court; and as most, or nearly all, indeed, of the natives who had property within the neighbourhood of Calcutta had houses in Calcutta, property so situate bore an advanced price beyond the market price of landed property in general in the provinces, but it might have been in part owing to the nearer neighbourhood of the capital; still that increased value extended a long way beyond the mere range and capability of raising buildings and other improvements in the vicinity of the capital.

1312. You have no reason to think that the natives have any aversion or digust with the English law, as being English?—I have every reason to believe, from personal communications made to myself from many of the principal Hindoos in Calcutta, that they considered it a very great advantage to them to have both their persons and property under the judgment of the Supreme court, reserving their own laws to be administered in the instances before mentioned.

1313. Does the same observation extend to Mohamedans as

9 Mar. 1830.

Sir E. H. East, Bart.

well as Hindoos?—I believe that it does; but the Mohamedans, except some few persons of very high rank, are not generally in possession of much wealth, like the Hindoos, and have comparatively but small landed possessions compared with the Hindoos, and therefore we had much fewer causes respecting that class of the population than we had as to the other.

1314. Do you suppose the same favourable feeling towards the English law would prevail among the natives, supposing its authority to be extended in the country beyond the limits you have described?—I am perfectly persuaded that the native population do entertain the opinion, that being placed under the jurisdiction of the Supreme court would be advantageous to them.

1315. Do you state that from opinion merely, or from actual communication with any natives not now under the authority of the British law?—I state that from personal communication with many natives, but of course they were natives that I was in the habit of seeing in Calcutta from time to time. I have only occasionally seen natives from the upper provinces, and have had very little of this sort of communication with them; but the generality of persons with whom I have had much communication of that kind were of necessity persons either living within Calcutta, or within the near neighbourhood of it.

1316. Have you in any instance found that the possible extension of the English law among the natives was a subject of apprehension with them?—Certainly not, provided their own particular laws of inheritance and succession, and contract, were preserved to them. I do not mean to say that they preferred our laws of that description to their own laws, but the administration of their laws by a court constituted as the Supreme court was.

1317. Reserved for them in the same manner as they are within the limits of the Calcutta jurisdiction?—Just so.

1318. Were the native authorities, Pundits and others, to whom you had recourse for the administration of Hindoo and Mohamedan law, persons regularly designated for that purpose, or called upon occasionally as the court might think fit?—There were certain official Pundits and Moolvies appointed expressly for the court. In that appointment the court always consulted the general opinions of the respective portions of the native population, as to those who were best calculated in the repute of their class to give the best advice to the court on questions of their law; but it sometimes happened that, upon questions of disputed law, the court was not entirely satisfied with the opinions of those particular Pundits or Moolvies, and upon all occasions of that kind we took the opinions of others the most celebrated Pundits and Moolvies we were able to resort to, in order to guide our judgment upon the matters in dispute.

9 Mar. 1830.

Sir E. H. East, Bart.

Persons of that description who were in attendance in the court of Sudder dewanny adawlut, which was likewise sitting in Calcutta for the purposes of the provincial judicature, were always at hand, and we are always able to apply to them; if they all agreed upon the same doctrine, we of course adopted it; if they differed, we then gave our judgment upon what we thought was the best course to pursue in reference to the general spirit of the respective codes, and for the furtherance of justice.

1319. Can you state generally the average duration of suits before the court?—When I arrived in Calcutta I found no arrear of suits. There was nothing that was standing for judgment, and every cause, up to the extent that the parties themselves thought proper to bring it, was forwarded; and when I left it, I left it in the same situation. Every cause, as far as the court was concerned, was carried to the extent the parties thought proper to carry it, and there was no cause standing for judgment.

1320. Are the fees and other expences of proceedings regulated by the court?—No; that is left to the same feelings that prevail here. The fees were considered as the *quicquid honorarium*, in the same manner as at the English bar.

1321. Are the expences, in point of fact, very considerable? —In point of fact, in causes of any weight the expences are exceedingly great.

1322. Does any mode occur to you in which they could be diminished?—There is no other mode of doing it, except by exercising a very strict discipline over the taxation of costs, which was exercised in many instances when the attention of the court was called to it. Every bill was taxed in the ordinary course of proceeding by the Master or other officer of the court, but still the expences were undoubtedly very heavy, and we endeavoured on various occasions to contract them as much as we could, but still we found them heavy; undoubtedly more so than was desirable.

1323. Do you suppose that an extended application of the authority of English law, supposing it was desirable, could be effected in the country without an increase of expence attending the rules under it?—That would depend upon the extent to which the reform of the present judicial system was carried. If English courts, similar to the Supreme courts now existing, were to be established throughout India, I have no doubt it would tend to a very great increase of expence unavoidably. I think that would be most desirable, except on the question of expence; but I believe that a great deal may be done without going to that extent, at a very moderate, if any, increase of expence, but not so perfectly. Our legal machinery is exceedingly excellent in its kind, but is too dear. I have formerly written some observations upon this and other subjects connected with the admi-

9 Mar. 1830. — Sir E. H. East, Bart.

nistration of laws in India, which, if it is desired by the Committee, I will deliver in. The greater part of those observations were written after I had been upon the bench about two years, during which time I endeavoured, in every way that was within my reach, to obtain information upon the subject at large. They were then dispatched home; but subsequently to that time, and from time to time, as either I saw reason to correct any opinion I had before advanced, or obtained any fresh information, I made notes and memoranda upon the original papers.

(Sir Edward Hyde East is requested to deliver in these papers.)

1324. You mentioned that the Supreme court exercised jurisdiction over real property beyond the limits of Calcutta, through the medium of persons resident within Calcutta; was that in consequence of a fiction of the law or a positive enactment?—It was in equity cases, where the person resided within our jurisdiction, and therefore those complainants who wished to sue him preferred suing him where he lived, because it brought their cause for judgment before the Supreme court, instead of suing him where his estate lay, within the jurisdiction of the Mofussil courts.

1325. You were understood to say, that you imagined the natives generally would be desirous of having the British judicature extended over the rest of India?—That is my belief.

1326. Does that proceed from your opinion that their laws would be administered more consistently and strictly by the integrity of British Judges, or from any desire that there should be an assimilation between their laws and ours?—My belief is, that they did not wish to have their laws of inheritance and succession and contract changed, but that they thought that the courts which had been instituted by the King there, and filled with his Judges, would better administer justice to them. I do not speak of the Judges personally; there were some most eminent men in the Mofussil courts: but I consider that the natives preferred as Judges persons whom they supposed to have been properly educated for the purpose, and having the assistance also which they themselves derived in their causes from the British bar. Those were the inducements which made them prefer coming under that judicature.

1327. In the case adverted to just now you reached the jurisdiction over the property in consequence of the jurisdiction over the persons?—Yes; those persons residing within the local limits of the jurisdiction of the court. I ought to explain, that in all cases in equity the jurisdiction is entirely over the person, to compel him to do certain acts which the court of equity thinks conscientiously he ought to do. The only jurisdiction which does in effect reach the property is through the medium of the person being subject to its controul, as being resident within the limits.

9 Mar. 1830.

Sir E. H. East, Bart.

1328. Do the Moolvies and Pundits who attend the Supreme court receive any fixed salary?—Yes, an annual fixed salary.

1329. Are those salaries adequate to the duties they perform?—They are adequate to their condition in society, I think. They were so, at least, when those salaries were established.

1330. By what law are the civil rights of half-caste persons, residing without the jurisdiction of Calcutta, defined in the instances of marriages or successions?—Their situation is in many respects very perilous. Some of them I know personally, gentlemen educated in this country; and yet if they reside out of the jurisdiction of the court, being many of them illegitimate, and who therefore could not be deemed to be British subjects within the general meaning of the laws passed for India, the difficulty was to know how to deal with them, for the Mofussil courts only administered the Hindoo law to Hindoos, and the Mussulman law to Mussulmans. The condition, therefore, of these persons, who were Christians, and living and associating with British subjects, and considering themselves as such when living out of the limits of the Supreme court, was so extraordinary and so anomalous, that it was a subject of very great difficulty, and one of the subjects which I have represented for serious consideration in the first instance, in the papers before me.

1331. Were not they considered in the eye of the law as natives generally, and subject to the native jurisdiction?—Subject as natives, no doubt, to the jurisdiction within which they lived; they were persons capable of holding lands in India, which British subjects were not. That was an advantage to them; and when they have spoken of the peculiar hardships of their situation, I have advised them to wait with patience till the whole matter could be brought under the consideration of the British Government, so that care might be taken that if they were admitted at any time to the full privileges of British subjects, they should still retain their power of holding lands in their own country.

1332. Were they defined to be native subjects by the positive regulation of the Court of Directors?—No, not that I am aware of; but all through the Acts of Parliament for the government and regulation of affairs in India this distinction is taken throughout between British subjects and those whom we also consider subjects of the Crown, but native subjects. It very frequently happens that even in the same clause they are spoken of as two different classes of people. Contracts may be made between British subjects and the natives, taking the same distinction throughout the statutes, so that we were unable to put any other construction upon the term British subjects than British-born subjects with their lawful descendants.

9 Mar. 1830.

Sir E. H. East, Bart.

1333. Were the people described as natives, as contradistinguished from British subjects, in the Regulations published by the Governor-general in Council?—There may have been some such description in the Regulations which I am not acquainted with; but in the charter constituting and regulating the jurisdiction of the Supreme court in Calcutta, and the statute leading the charter, the general terms are Mussulmans and Gentoos. The term "Gentoos" was generally understood to mean the Hindoos, but the term originally used was Gentoos. Whether that was intended to comprehend all other descriptions of Asiatics who happened to be located within the British bounds in India, is, perhaps, very difficult to be told at this time of day; and there is this singularity in the Hindoo law, that when any Asiatics, such as Sikhs, Parsees, Chinese, and so on, come and settle in India, they bring with them, as it is understood, their own civil laws in many respects, such as of marriage, succession, &c. That is the general spirit and understanding of the Hindoo law; so that all questions of marriage, which in most other countries in the world is a question of local ceremony, and to be governed by the law of the country and modes of adoption, and various other matters, are regulated by their own particular customs, which they bring with them. It is a singular state of things, arising, probably, from the circumstance that India has been so frequently overrun by different classes of conquerors and settlers. I suppose it was found to be a convenient arrangement which the Hindoo law adopted; but we were restrained from administering the Hindoo law, except between Hindoo and Hindoo, which increased our difficulty in these questions. But there is another circumstance that perhaps, in mentioning the jurisdiction, I should have added, that the charter and its leading statute provided that where there are two parties before the court under contrarient laws, as in a suit between a Mussulman and a Hindoo, the law of the defendant shall prevail between them; therefore that difficulty was provided for partially in the first instance.

1334. Do the half-castes follow the religion of their mothers?—Some of them, no doubt, have done so, from having been deserted by their fathers in their infancy; but the greater part of them are certainly brought up as Christians. Those that we call Portuguese in India are often the descendants of persons of that description: the greater part of them are Roman Catholics; there are some Protestants among them, and I believe that number is increasing latterly.

1335. By what law are they regulated?—Those that inhabit within the local ambit of the jurisdiction of the Supreme court are governed entirely by the British law, for we have only power to administer either the British law to British subjects, or the Hindoo law to Hindoos, or the Mussulman law to Mussulmans; and that is one of the difficulties we had to manage,

9 Mar. 1830.

Sir E H. East, Bart.

that when there was any other description of persons before us (and there are many Chinese, as well as other foreigners, settling in Calcutta), we could only administer the British law to them; we could not administer Hindoo or Mussulman law to them. Our power of administering either of those laws is according to the class to which it is to be applied, the Hindoo to Hindoos, and so on.

1336. Beyond the jurisdiction of the Supreme court, when you found a man who was neither a Mussulman or Hindoo, what law did you apply to him?—If he was beyond the limit, we could apply no law to him unless he was a British subject, or in the service of the Company.

1337. What do the Provincial courts apply to him?—They administer the Hindoo code and the Mussulman code; I am not aware that they can administer any other, though these have, I believe, been varied and explained from time to time by government Regulations, which are forming a kind of new code in the Mofussil.

1338. If he was a Chinese, what law would they administer to him?—I do not know what they could do in that case; he would be obliged to submit to the only law that the respective courts had authority to administer to him. In criminal cases there was never any difficulty about it, because the criminal code that was exercised by the Supreme court and the Mofussil courts, within their respective limits, comprehended every person living within them.

1339. The question respects the Provincial courts?—Of course. If a half-caste, who was illegitimate and not a British subject, was living under the Mofussil court, and he committed any offence, he could only be tried by that which was originally the Mussulman law. But it ought to be well understood, that the Company's government have from time to time made a variety of Regulations, and have adopted a very considerable portion of the English criminal law by their particular Regulations, and therefore there is no doubt that he would have been tried in some degree in the spirit of the British law; but he would not have been entitled to have had a jury. He would have been liable to have been tried even in capital cases by the Judges of the Mofussil court, without the intervention of a jury.

1340. In one of the answers you gave, it appears that you thought the natives of Calcutta preferred very much the jurisdiction of the Supreme court; is that in contradistinction to the Provincial courts?—Yes, I must say that, and I have assigned the reasons, not from any personal preference to the individual, but to the system as exercised by the Supreme court.

1341. The general satisfaction they expressed with respect to British subjects did not apply to the Provincial courts?—No, I always understood it to apply to the Supreme court.

9 Mar. 1830.

Sir E. H. East, Bart.

1342. The laws in those Provincial courts, however, were administered by British Judges?—The laws in the Provincial courts were administered by British Judges; and it happened to me while I was there to know many of them, and very eminent excellent men they were; and I should say, that the principal difficulty they had to encounter, and to which a remedy, I think, ought to be applied, is, that when a man started in his early days, he had all his experience and his legal principles to acquire, and after having presided in the different courts of the Company for several years, many a gentleman of great ability and integrity has made himself a very excellent Judge; but when he departed, which was at a time when his judgment and experience were ripened, he left no successor to his knowledge behind him, and the next person that was to go through those gradations, and to come into his place, had got to acquire all the experience again, which I look upon to be the principal defect in that constitution; thereby men are not educated for the great and responsible situations they are afterwards to fill; they have no means of attending to hear the judgments and to observe the course pursued by those persons who had already acquired experience, but that experience dies or departs with the best Judges, and their successors have got to begin *ab ovo*, with acquiring the like.

1343. A great proportion of the causes which are decided, some criminal and many civil, are decided by the Registrar; that is the first step a man takes in the judicial line?—So I understand; but many years having passed since I collected any information of these matters in the Mofussil courts, I do not feel myself competent to give proper information of the course of their proceedings.

1344. Those persons who decide those cases are men of two and twenty, are they not?—They are very young, from the necessity of the thing.

1345. At about what period do they arrive at the situation of Assistant?—I am not sufficiently informed to give an answer to that question.

1346. What was the amount of business in the Supreme court; how many causes were decided in the course of the year?—I have not taken an account of that; but in one of the returns to the House of Commons, very lately delivered to the members, I think that is stated.

1347. Were you sitting occasionally, or had you terms?—We had regular terms four times a year; criminal sessions four times a year; and regular sittings after each term, both at law and in equity. One was taken after the other.

1348. What was the principal cause of the great expence of conducting a cause?—It arose, I think, from large fees to counsel, and high charges of solicitors and attorneys in great causes.

9 Mar. 1830.

Sir E. H. East, Bart.

I am not aware that fees and charges, or the mere fees of the court, were in common cases any thing extraordinary; but in great causes, involving large property, the attorneys and solicitors certainly made very high charges, by consent, I dare say, of their clients, and then the fees were also very high. I am speaking of those in proportion to what we know of here: on particular occasions at home, very high fees and charges occur. I think a high ratio was more general there than here, otherwise a common cause for goods sold and delivered, or any common cause of that kind, I believe, was tried comparatively as reasonably as it is here, or something higher, as may naturally be expected, but nothing extravagant; but in great equity suits, where very large masses of property were involved, and where the people were often very litigious, and were sometimes fighting for victory almost as much as for property, they themselves encouraged a great latitude of expence. I may add, that when long examinations were taken in equity causes, or long accounts, or large sums of money brought into court, the fees of the several officers of the courts were very high.

1349. Do you know at all the state of litigation as between the lower provinces and the upper, the quantity of suits depending at any given time?—No, I am not able to state that; but I believe that the information may be obtained from Parliamentary papers. The arrears at times have been very great; but it is to be borne in mind that native persons of large property being debarred by the existing state of things from the common and ordinary excitements of life, they certainly do indulge to a very considerable degree in the love of litigation; it may be said to be one of their principal excitements.

1350. A great number of causes, up to a certain extent, are decided by native officers?—Those are to a small amount in value.

1351. Had you much opportunity of being acquainted with the character of those officers, and the degree of confidence to be placed in them?—I had no personal knowledge of those officers; but I must confess that the characters I have heard of the generality, both from Europeans and natives who had such knowledge, were very far from being of a nature to encourage one to put a great deal of judicial power in their hands.

1352. That you apply as much to the Judges as to those persons called Vackeels or agents?—Whenever any men of that description, I should speak rather of a great number of them, are placed in any situation of authority, it has been, I fear, too much the custom with them to avail themselves of it for their own pecuniary advantage; but I am not so able to speak to that as gentlemen who have presided or officiated in the Mofussil courts. I am quite sure of this, that the government had but a bad opinion of them there, because there have been many Regu-

9 Mar. 1830. — *Sir E. H. East, Bart.*

lations made by the local government from time to time of the most degrading character to individuals of that sort, in order to guard against their corruption.

1353. May prejudice have had any influence in that?—It may have had to some extent; but general experience, I believe, called for it.

1354. Do you think that the opinion you have expressed as to native Judges applies to the native officers attached to the court, where justice is conscientiously administered by an European?—Yes, that was a common opinion; but we had no such officers attached to the Supreme court, except the Pundits and Moolvies, whom we consulted on their respective codes.

1355. There is a sort of officer belonging to the Zillah courts; what do you believe to be the character of those persons, whether they were subject to corruption?—Those, I believe, are the Sudder aumeens. They are some of those to whom I allude; but that is merely from what I have commonly and generally heard, for I had no personal knowledge upon the subject.

1356. Had you seen enough, while in India, of the conduct of the natives, to give an opinion as to any improvement which might be made in the administration of justice in India, by introducing a greater number of native officers?—In the papers I have drawn up, and which I sent home some years ago, while I was in India, I have pointed out a mode.

1357. You have stated in one of your answers, that in equity cases, where the person resided in Calcutta, and his property was out of the jurisdiction of your court, you came at the property by means of the person who was within the jurisdiction; how did that apply in cases where you were obliged to appoint receivers to property of large amount, applied to a property out of the jurisdiction, and not to the person?—Where the parties were brought before the court in the regular course of its jurisdiction, then the property which was in dispute between them was incidentally brought also under the jurisdiction of the court, so as to be dealt with by their decree; but when we came to execute a decree against a defendant, all we could do was to lay hold of his person till he did such and such acts ordered by the court. It would be well to look further into this subject, and clear any doubt, if such there be, by a legislative provision, calling in the assistance of the provincial officers of the Company.

1358. Could your receivers, appointed out of your jurisdiction, enforce the receipt of rent, or execute the duty which they performed, only under your jurisdiction?—Yes, they could and did.

1359. During your stay in India, had you any opportunity of forming any judgment upon the question of suttees; did any

9 Mar. 1830.

Sir E. H. East, Bart.

fall within your immediate notice?—I was never present upon such an occasion as that; I always avoided it. I have heard of them; they were considerably more frequent in the neighbourhood of the presidencies than they were, I believe, in the interior of the country.

1360. What reason do you assign for their being more frequent in the neighbourhood of the presidencies, and consequently in the neighbourhood of increased civilization, than in the provinces?—I think it arose, in a considerable degree, from the excitement that was caused by missionaries and others, in attempting to argue down the natives, and to get rid of them; that created a spirit of opposition on the part of those who were interested in preserving that horrible institution, and made them more active in endeavouring to accomplish the purpose whenever they could.

1361. Was there any Regulation by which notice was obliged to be given to any officers of government of an intention on the part of the natives to have a suttee?—There was a Regulation of the government which required that no suttees should take place without notice to the Magistrate of the district, so as to enable that Magistrate to assure himself that the sacrifice was voluntarily performed by the victim, and that there was no fraud or force used in order to accomplish the purpose. But I have heard the propriety of that Regulation questioned; and I am not quite sure whether there was not, in some degree, a bad effect produced by it, because it had something of an appearance, when the thing did take place, as if it took place with the consent of the British government. But the Regulation was certainly exceedingly well intended, and calculated to prevent any actual force or fraud, by intoxication or otherwise, being made use of, for the purpose of inducing a victim, not otherwise willing and desirous of sacrificing herself, to be sacrificed.

1362. Practically do you believe suttees were held without such communication with the Magistrate of the district?—No; I have no reason to believe that in any case, after the promulgation of that Regulation of the government, any suttees took place (at least I have no knowledge of such a fact) without that previous communication having been made to the Magistrate; but there might have been, without my knowing or hearing of it.

1363. Do you believe that suttees became more or less frequent after that Regulation was made?—That I have no means of judging of; I merely know, from the representations of various persons, that suttees were more frequent within a certain reach of the presidency than they were in the interior the country.

1364. That you attribute to the well-intentioned zeal of certain persons who had interested themselves in endeavouring to

9 Mar. 1830. put down that practice?—Yes; that was the most common opinion which I heard expressed, which induced me to think so. But I verily believe that, by prudent conduct and interference of the government, the practice is capable of being (though not perhaps in a moment) altogether gotten rid of; that is my belief.

Sir E. H. East, Bart.

1365. Do you believe that may be more easily done by influence exerted by the government, or by legislative provision?—I think much better done by influence exerted by the government; more simply done, without the risk of a convulsion, which I could not be sure might not be created, if it was attempted to be carried into effect by force, which a legislative provision would call for.

1366. You think the practice may be got rid of by a prudent interference on the part of government?—I am of that opinion, and I do not think the time required for that would be very long. Since I was examined, I have been informed by a gentleman who had more personal observation of this matter than I had, and of the sentiments of many of the natives upon it, that in his opinion they would gladly be relieved from this horrid practice by a direct prohibition from the government. I have no doubt that this was the opinion of the more enlightened native gentlemen, who did not like talking upon this subject, though ready enough to converse upon religious topics in general.

1367. You were understood to state your belief that the natives would rather wish the system of law, as administered in the Supreme court, to be extended; did you mean to confine that observation to civil causes, or to extend it to criminal also?—I meant both; but I should say that the criminal law, as administered by the Mofussil Judges, approaches much more to our mode of administration, except in the event of a jury, than the civil code.

Sir Edward Hyde East delivers in the statements referred to by him, which are read.

Vide Appendix on this Day's Evidence, Nos. 1, 2, 3, 4, *and* 5.

The witness is directed to withdraw.

Ordered, That this Committee be adjourned to Thursday next, one o'clock.

APPENDIX

TO THE

EVIDENCE OF SIR EDWARD HYDE EAST, BART., M.P.

No. I.

A SKETCH of the STATE and CONDITION of the BRITISH POPULATION within the JURISDICTION of the SUPREME COURT in CALCUTTA, in respect to LAWS and USAGES; with HINTS for ameliorating them.

13 Geo. 3, c. 63.
Charter of 1774.

IT is proper to remind government, that notwithstanding the Act of the 13 George III. c. 63, and the King's charter of 1774 granted under it, communicating all civil, criminal, admiralty, and ecclesiastical jurisdiction to the Supreme court thereby constituted, and virtually and essentially extending the common and statute law of England to the inhabitants of Calcutta, and to the British inhabitants of the whole presidency; yet that these inhabitants have not the full benefit of the statute law of England to a later period than the 13th year of George 1st, unless expressly named. This has been the uniform construction of the Judges of the Supreme court since its institution; and whether right or wrong originally, the Judges of the present day cannot depart from it, without authority of parliament.

General Statute Law of England stops at 13 Geo. 1.

7 Rep. 17.
2 P. Wms. 75.

The period at which the general statute law stops, in regard to this presidency, is that of the constitution of the Mayor's court in Calcutta; when those who established that construction said, upon the doctrine of Calvin's case, that the British law was then first given to this, as to a British colony, and that, as such, it could not be included in any subsequent statute, unless specially named.

Thus, by a mere technical rule of doubtful application and extent, with respect at least to the fluctuating body of British residents in this presidency, not only they, but the whole native population of Calcutta, have been cut off from the common benefit of the British legislature, unless specially named (which has not always been remembered), without having any other effective local legislature substituted in the place of it. It is difficult to imagine that this could have been foreseen and intended.

Internal legislation. 13 Geo. 3. c. 63, s. 36.

The only power of internal legislation given at that period, as a corrective of local evils, was by the 36th clause of the statute 13 Geo. III. c. 63, which provides that it shall be lawful for the Governor-general and Council at Fort William, from time to time, to make such rules, ordinances, and regulations, for the good order and civil government of the settlement, and other places, &c., subordinate thereto, as shall be deemed just and reasonable (such rules, &c. not being repugnant to the laws of the realm); and to set, impose, inflict.

and levy reasonable fines and forfeitures for the breach or non-observance of such rules, &c.; but that the same or any of them shall not be valid unless duly registered and published in the Supreme court, with the consent and approbation of the said court; and then it specifies the mode and time of registry, and gives an appeal to the King in Council: making, however, the law valid in the meantime after its registry. By the statute 39 and 40 Geo. III., a further power was given to enforce such rules, &c. by corporeal punishment, that is, by public or private whipping, or otherwise; and the statute 53 Geo. III. c. 155, s. 66, requires copies of these rules, &c. to be annually laid before parliament.

Stat. 39 & 40 G. 3, c. 79, s. 18.

Stat. 53 Geo. 3, c. 155, s. 66.

Construction.

But looking first to the terms, "rules, ordinances, and regulations," used in the granting part, which rather convey the notion of a power to carry into effect by local and subordinate means and measures the substance or spirit of laws already given, than to originate new laws, shackled also as the power is by the express proviso that those local rules, &c. shall not be contrary to the laws of therealm, a restriction very difficult to adapt to local circumstances, andalmost irreconcileable with any plain departure from the general spirit of those laws, however proper in different circumstances; and most of all looking at the power given to sanction the observance of such local rules, &c., by fines, forfeitures, and corporeal punishment, the only construction which could safely be put upon this local legislating power was, that it was to be confined to mere police regulations for preserving the peace, preventing or punishing nuisances, and the like,* and was not to be extended to a general power of making original laws affecting the liberty or title to property of the inhabitants of Calcutta, including all descriptions, or even the laws, usages, and customs of the native inhabitants, though a new law should be given by the local government to affect the native inhabitants of the provinces in the same respects.

Particular Statutes for India.

Another mode has been taken to supply this defect in the state and condition of the inhabitants of Calcutta, namely, for Parliament to pass particular laws from time to time, remedying specific defects and grievances which could not any longer be delayed or palliated. These are to be found in the subsequent statutes: 21 Geo. III. c. 70, 26 Geo. III. c. 57, 33 Geo. III. c. 52, 37 Geo. III. c. 142, 39 and 40 Geo. III. c. 79, 47 Geo. III. sess. 2, c. 68, and 53 Geo. III. c. 155. Other statutes have been made since these observations were written, particularly the statute 9 Geo. IV. c. 74, for improving the administration of criminal justice in India, by which many of the omissions herein stated have been supplied, and other beneficial enactments made. See also the statute 7 Geo. IV. c. 37, regulating the appointment of native juries in India; statute 9 Geo. IV. c 33, as to the liability of real estates in India for debt; and c. 73, relating to insolvent debtors and bankrupts there.

General laws passed since 13 Geo. I, not extending to India.

But since the 13 Geo. I. a variety of laws of general application, and some of great utility, have passed, not only for improving and preserving the moral and legal state and condition of the people at home, and for the better protection of persons and property, but also for

* I doubt if something more was not originally intended by Parliament, controlled as the local legislation was by the appeal given.

repealing obsolete, inconvenient, and oppressive laws, and substituting new laws, better adapted to the growth of experience and intelligence. The mass of these, however necessary, have never reached India; and the British subjects in India, as well as the native inhabitants of Calcutta, remain under the statute laws of England (so far as they have been construed to apply to them) such as they were in the 13th year of George 1st, with the addition of the few I have mentioned, though some of the provisions still in force here have been modified or repealed as to England, and many new laws of beneficial import have passed which have not been extended to India.

In order to show the actual inconvenience of this state of things, it is sufficient, without the parade and tedium of turning over the prolific indexes of the Statute Books, to mention several instances which have in fact occurred during the two years I have sat on this bench, wherein the deficiency was felt to the disparagement of justice.

Particular examples casually selected:

Cases within the 30 Geo. II. c. 24, against obtaining money, &c. by false pretences. The cheats escaped unpunished. This is of constant occurrence.

Cheats by false pretences;

A felon stood mute; and it was very doubtful whether it was not obstinately. If so found, he must have been put to the barbarous torture of *pein forte et dure*, instead of having judgment against him by the statute 12 Geo. III. c. 20. But this is now better provided for, by the court ordering a plea of not guilty to be entered for him.

Felon standing mute, 12 Geo. 3, c. 20, and 9 Geo. 4, c. 74, s. 18.

Various necessary and convenient powers are given to Justices of the peace by modern statutes, none of which extend to us, though as far as it was competent some of the powers have been supplied by local bye-laws.

Justices of pea

The Marriage Act does not extend hither. The Act *in toto* would not entirely have suited our condition and circumstances; but thus much we want, that no marriage of a minor in the Company's service should be valid, in the absence from the presidency under which he serves of both his parents or legal guardians, without the consent in writing of the Governor-general, or other head of the government, who may properly be considered *in loco parentis*. The Supreme court performs this parental duty as well as it can at present, by acting upon the canons which prohibit the clergy from marrying minors without the consent of their parents or guardians; and we have therefore lately resolved not to grant any marriage licence, unless upon oath that the parties are of age, or, if minors, that they have the consent of their parents, or of those to the care of whom their parents have confided them; and that they are not married to any other, nor know of any lawful impediment by consanguinity or otherwise. In the case of the Company's minor servants, we refuse our licence, unless they have the consent of the Governor-general, or other temporary head of the government, whom we consider, in the absence of their proper parents or guardians, to be *in loco parentum*.

Marriage of minors.

Vide canon 62.

But if the clergyman choose to act without our licence, and, in the case of the Company's minor servants, without the approbation of the head of the government, though he may subject himself to ecclesiastical censures in the one case, or to the just displeasure of govern

ment in the other, yet the marriage is good, and the individual evil is remediless. Within a month after our new regulation, the affidavit required proved the means of preventing two incestuous marriages; and in another instance within the same period, where the marriage ceremony had been incautiously celebrated without a licence, it was afterwards discovered that one of the parties was already married at the time.

Remedy.

The clergy here ought therefore to be prohibited from marrying without the licence of the Supreme court in its ecclesiastical capacity, which we only grant upon the proper affidavit; and for which a very moderate fee is taken by our Registrar, which Parliament may, if they please, regulate; and the Court itself should be prohibited from granting a marriage licence to any minor in the Company's service, whose proper parents or legal guardians are not present and consenting, without the consent in writing of the Governor-general or other head of the government.

Lord Ellenborough's Act, malicious stabbing, &c.

The Black Act, 9 Geo. I. c. 22, making it a capital felony maliciously to shoot at another, extends hither; but Lord Ellenborough's Act, 43 Geo. III. c. 58, putting a malicious stabbing or cutting of another with intent to murder, &c. upon the same footing, does not extend hither, and is only a misdemeanor. I was under the necessity, in the same sessions, of passing two incongruous sentences on different prisoners for these several offences; and though the stabbing case was by far the most atrocious in moral guilt, the judgment was necessarily the most lenient. This was incomprehensible to the native audience around. The capital punishment was indeed afterwards commuted for transportation; but the worst offender could only be imprisoned here in the common gaol.

Other provisions.

There are other wholesome provisions in Lord Ellenborough's Act which do not reach us.

Burning in hand felons.

We are still obliged to give sentence of burning in the hand, where we do not transport, for grand larceny; because the statute 19 Geo. III. c. 74, s. 3, is of no avail to us, which enables other more appropriate punishments to be inflicted instead of it.

Embezzlements by servants, &c.

The statute 39 Geo. III. c. 85, against embezzlement by servants and clerks, (and see the corresponding statute of the 51 Geo. III. c. 38, passed for Ireland, which is more correctly worded in the description of the offence,) does not extend to us, though nowhere are there more frequent offences of this description.

Privily stealing from the person.

With us, the privily stealing from the person is still a capital offence under the statute 8 Elizabeth, c. 4, though the statute 48 Geo. III. c. 129, substitutes imprisonment and hard labour, not exceeding three years.

Wilful destruction of ships.

The statute 43 Geo. III. c. 113, makes new provisions against the wilful destroying of ships, &c., an offence which there is reason to fear is not of unfrequent occurrence in these rivers and seas.*

Witnesses not answering.

The statute 46 Geo. III. c. 37, declaring the law with respect to witnesses refusing to answer, may be supposed sufficient.

Post Office.

There are no laws for protecting our Post Office within Calcutta,

* At the end of 1815 and beginning of 1816, this crime increased to an alarming degree.

which should seem expedient; though no case of that sort has yet actually been brought before us.

Should the jurisdiction of Calcutta be extended into the country (and we are informed that such a measure was lately in contemplation), the ryots would soon want the protection of the statute 42 Geo. III. c. 67, against the stealing of growing crops; which should be confided to the Justices of the peace. The robbery of gardens is frequent.

Growing crops. [The gardens are now continually plundered, &c.]

I could extend this list much further.

The remedy for these and similar defects seems of two sorts:

Remedies suggested.

1st. To pass a general law extending all past statutes, from the 13 Geo. I. inclusive (in continuation of former provisions), and all future statutes of England, to this country; leaving to the Supreme court to exclude, by construction, such statutes or parts of statutes as may in their judgment appear to be of a character merely local for England, &c., and not applicable to the condition of India.*

1. To give us the stat. law from 13 Geo. I, in addition, except, &c.

Though this would seem to be giving a great latitude of discretion to the court, yet it is rather in sound than in sense, and is no more than was originally confided to it in respect to the statute law of England down to the 13th Geo. I., concerning which I have never heard any suggestion that the power had been abused, except in the application made of the capital offence of forgery, in a single instance, to the case of Nundcomar; and there the principal stress was laid on its application *ex post facto*. But it can rarely happen that any serious difficulty should occur in the exercise of such a discretion, confined to the negative power of rejection, which in common sense would be exercised whenever there was a serious doubt; and sure I am, that with the ordinary habits of caution belonging to every British Judge, more particularly in criminal matters, no serious mischief is to be apprehended, but rather a judicious selection is to be expected. At all events the power would be guarded by saving and excepting its application in every case against a positive statute made for the express purpose of binding India; which will secure all the particular provisions already given for our government, and provide for every future enactment for our separate use.

Saving.

2. The other remedy that I would propose is rather for the benefit of the native inhabitants of Calcutta; which is, to extend the power of legislation at present conferred upon the Governor-general in Council with the consent of the Supreme court, by enabling them to make general local laws, (such as in fact the Governor-general and Council alone have been accustomed to make for the Mofussil,) not merely confined to purposes of police, but extending to general objects, which would include laws affecting the native inhabitants in the points which in another paper I have suggested that they stand in need of, as well as in others which may occur.

2. To give a local general legislative power on the existing basis, subject to confirmation.

The necessary exceptions to such an enlarged power would be, that no laws should be made contrary to the duty of allegiance, nor contrary to any express law made or to be made by Parliament for the government of British India; and that the laws should be equal in all

Exceptions.

* I doubt if the court can exclude any part of the common or statute law of England from its application to colonies, provided there is a like subject matter to act upon as at home.—*E. H. E.*

matters of common concern between British and native subjects, for the common good, without favour or disparagement to either.

Confirmation. [This for the purpose of enabling any of the inhabitants to appeal, according to the provision of former laws.]

There may be this further check, that before any local law thus made should be put in force it should be published in the Government Gazette, once in the English and once in the Bengallee language, and should then be transmitted home (together with any appeal therefrom), to be approved by the King in Council; and if approved, remitted to this government, for the purpose of being put in force, after another similar publication made.

So much as to general legislation; but in addition to the particular statutes incidentally mentioned in illustration of the general deficiency, there are certain other particular provisions very expedient to be adopted by a new law.

New legislative provisions for the punishment of criminals.

1. To enable the court in all cases of felony, where by law they may now send the convicts to the common goal, to send them to the house of correction as well as to the common goal, for any time not exceeding two years*, and to adjudge them to hard labour and whipping, or to either of those, in the house of correction, or to hard labour alone in the common gaol; as also to empower the government to employ those who have been adjudged to hard labour in labouring upon any public works, in or out of doors, during the period for which they shall have been adjudged to be confined in either place.

2. To enable the court to send persons convicted of perjury, forgery, conspiracy, or cheats, or of assaults committed with infamy, or with atrocity and cruelty, either to the house of correction or to the common gaol, to be there punished in the manner above mentioned, for any period for which they may be now imprisoned in the common gaol, and subject to the like disposition of government as to labour, in or out of doors; providing that such offenders may be otherwise punished as before the passing of this law.

3. To give an option to the court, in all cases of transportable offences, whether by original sentence or commutation for capital punishment, to send the offender for the same or any less period to the common gaol or house of correction, there to be dealt with as above mentioned.

Precedent.

A provision somewhat analogous to this, in the case of transportable felonies and clergyable larcenies, is to be found in the statute 51 Geo. III. c. 63, as to Ireland, and in the statute 53 Geo. III. c. 162, as toEngland, but the provision thereby made is not sufficient for us.

Grounds of recommendation.

The grounds on which I have been led to form such recommendations are these. By the Act of the 53 Geo. III. c. 155, the court is restrained to transport native convicts within lat. 30 degrees N. and 25 degrees S. of the Line; as indeed by the statute 39 and 40 Geo. III. c. 79, they could not have been transported to New South Wales. The usual places to which they have been sent have been the island of Penang and Bencoolen on the coast of Sumatra. For some time we have been obliged to refrain from sending them to the former place; for so many of them had made money there by the high rate of labour, and bettered their condition, that after their term was expired

* At present felons cannot be sent to the house of correction for less than six months.

they only came back for the purpose of carrying their families away to settle at Penang; and made such reports and display of the benefits of their transportation, and of their newly-acquired wealth, that some were induced, as it appeared to the police, to commit offences for the purpose of being transported to Penang. We have not yet found the same disposition for Bencoolen. But besides the expense of transportation, which is never for less time than seven years, it has appeared to the court that the sentencing of an offender to hard labour or other corporeal punishment at home, for the same or a less period, would in many instances answer better, as well for correction of the offender as for example sake, than the transporting him; and particularly if the labour might be performed out of doors (as it frequently is in the case of Mofussil convicts) as well as within, under the direction of government, which would not only be turning their labour to good public account, in the forwarding of public works, thereby enabling the convict to make some atonement to the state for his misconduct, but also in respect of the convict's own health, in regard to which this climate makes long-continued hard labour within doors very inconvenient, and sometimes oppressive.

But mere imprisonment without any labour at all is of very dubious effect, by way of correction or example, when applied to the lower orders here, who have commonly much apathy, and little inclination to any exertion which want or force does not compel. Most of these are better lodged and fed in some of our gaols than they would be at their own homes; and some have been known to petition to remain there after the term of their imprisonment was expired. They acquire in gaol a habit of idleness which is difficult afterwards to be relinquished, and leads to new offences. The objection which might be felt in England, from political considerations, to the view of convicts working openly in their shackles, does not apply to this country, particularly where the permission to work out of doors is in many parts the reward of good conduct in the gaol.

With respect to fraudulent misdemeanors, by which great gains are sometimes acquired, mere imprisonment in the common gaol does not weigh a feather in the balance against the success of the enterprize; and the misdemeanors committed with circumstances of infamy, or of atrocity and cruelty, are often more deserving of corporeal punishments than mere simple larcenies, though our technical distinctions class the latter in the higher denomination of felony. Hard labour would in most of these cases be beneficially added to imprisonment.

Police regulations, and extension of powers.

Another subject which calls for the immediate attention of government at home arises as well from the recent reformation of the police (a subject upon which I felt it my duty to address this government soon after my arrival here, in consequence of numerous complaints laid before the other Judges and myself respecting the arbitrary mode of administering the police functions), as from the late Act of the 53d of the King, appointing four sessions to be holden by the Supreme court in the year instead of two.

The Police Magistrates had fallen into the habit *(inter alia)* of punishing petty thefts and the like by a summary process of their own; the illegality of which mode of trial was the least objectionable part of the proceeding, the trial itself having been frequently conducted in a very hasty and imperfect manner. This arose principally from

the want of a sufficient number of Magistrates to perform the laborious but necessary duty of inquiry, amongst an immense population, addicted to theft and full of deceit. The evil was in part corrected, though not, I think, to the proper extent, for fear of trenching too much on public economy. The paper I gave in on that occasion is in the hands of this Government, and may be referred to if necessary. A by-law was passed to correct as far as possible the evils complained of; but there was no power in the constituted authorities on the spot to make bye-laws contrary to the laws of the realm, and consequently there was no power to transfer the trial of felonies from a jury in the Supreme court to the Police Magistrates. Two Magistrates, however, were authorised to inquire of and punish, in the mode prescribed by some of the Police Acts, in London, all offences of this tendency short of a plain felony. The Magistrates under the new commission have acted ably and efficiently up to the extent of their authority; but stopping short with that, they have referred all cases of felony to the trial by jury before the Supreme court; and this has necessarily swollen our calendars to a much greater degree in each of the four sessions (which came opportunely enough to meet the exigency) than had before occurred in the two annual sessions.

Complaints of grand and petty juries.

This has thrown a great additional burthen upon the grand and petty juries, whose longer and more frequent absence from their private concerns is felt very inconveniently by most of them, particularly of the latter description, who can but ill dispense with a continued watchfulness over their native servants.

Much discussion took place in the June sessions of 1815, amongst the grand jury, upon this subject; and they had drawn up some representations to government, which were seen, though no regular address was ever presented, upon an intimation that the subject was then under consideration, and would be brought forward. Having to charge the grand jury in the October sessions following, I touched upon the subject to them, and they then represented to me their wishes that some mode of relief could be adopted, which I promised should be made known to government at home, which was best able to judge of the propriety and extent of any alteration in the established course of law better accommodated to our local convenience.

It is not easy to draw a precise line which will sustain a great national principle, and yet bend to local convenience. Those who are fit to serve on petty juries are not very numerous in this place, and the turn comes round very frequently to the same person. This, with the climate and national habits, renders the duty more oppressive than it can be felt at home.

Suggestion of remedy.

If any relaxation can be admitted, consistently with the higher interest of the state, I know not where the line can be better drawn than this* (for it must in fairness and in policy be the same for the native as for the European British subject); to give to two Magistrates the power of trying all simple larcenies under capital felonies, and not attended with any circumstance of aggravation, directing them,

* If all Christian inhabitants conversant with the English language were liable to serve on juries, there would be less difficulty in this matter, and the court of quarter sessions which now exists might be put into a state of activity for the trial of petty felonies and misdemeanors.

in cases of capital or aggravated larcenies, to commit to the sessions for trial, and limiting their power of punishment to six months' imprisonment in the gaol or house of correction, to be punished or employed there, in or out of doors, in the manner I before suggested, under the controul of the government.

The like powers might be given to the Police Magistrates with respect to simple assaults.

In both cases an option might be given; to the prosecutor, to proceed by indictment before the Supreme court; and to the prisoner or defendant, before trial, to remove the complaint by certiorari from the jurisdiction of the Magistrates to the same court, upon depositing thirty sicca rupees (which is the lowest expense of preferring a common indictment for larceny before the grand jury, not including expenses of witnesses), to be paid over to the prosecutor, or to the Clerk of the Crown, when the bill is preferred. And if it were thought necessary (of which I am not aware,) a liberty of appeal might be given, even after trial before the Magistrates, to a Judge in chambers, within three days, on payment of the expense of copying the charge, evidence, and judgment, from the notes of the Magistrates returned by them; excluding all objections in point of form, and confining the objections to the intrinsic merits of the case, as it appeared on the evidence taken below; giving to the Judge power to examine the proceedings so returned in a summary manner, and to approve, mitigate, or abrogate the sentence, as to him shall appear to be just.

In the greater number of cases, this course of proceeding before the Magistrates would perhaps be better for the accused themselves, as it would save them much of the intermediate imprisonment in the intervals between session and session.

Extending limits of Calcutta.

I had prepared some grounds to lay before your Lordship for extending the limits of jurisdiction given to the Supreme court and Magistracy of Calcutta in certain cases; but it is now become unnecessary to detail them, as the Company's government has, I find, anticipated the necessity of the measure, and has procured an Act for that purpose.*

[See the papers respecting the Mofussil jurisdiction.]

The object in view at present by this government is properly of a limited kind; but the future extension into the provinces of the British system of law, as it is administered by the Supreme court, incorporated with the Hindoo and Mahometan civil codes in all their local peculiarities, as they respect themselves, in matters of real title, inheritance, succession, form of contract, marriage, adoption, and incidentally of caste, will no doubt be the greatest blessing that the British government can confer upon India. As to the properest times and modes of doing this the local government must necessarily have the best means of informing themselves, and judging. They will no doubt take care, under the new bill, not to oppress the Supreme court by overloading it with too much, particularly of criminal business, constituted as it is at present; though I will not deny that more use may be made of it, provided it may be relieved from the trial of petty offences in the manner before suggested. And if it should be thought expedient hereafter to extend the experiment of this jurisdiction to any

* This was the information I received at the time.

distant limit from Calcutta, it may be done gradually, so as to enable the Judges, as we humbly hope, to make such observations to this government as their experience may suggest to them. I have no hesitation in recommending the experiment, if it be done gradually, and accompanied, to a reasonable extent, with provisions for a more convenient division of labour in the juridical field, and for an addition of labourers when the burthen of the day shall be found too great for those already employed.

Foreign settlements.

There is another subject, which, though of a political nature, is closely connected with the judicial state of the British inhabitants of India, and of the general population of Calcutta. I mean those foreign colonies of the Dutch, Danes, and French, which are established upon the Hoogly branch of the Ganges, within short distances from Calcutta. They are aptly situated to become receptacles of felony and fraud from the neighbouring capital and territories; and in proportion as the British capital in India has been extending in population, commerce, and wealth, and those foreign establishments have decreased in opulence and in consequence to the several parent countries, the nuisance has been gradually increasing.

The parent states do not think it worth their cost to maintain independent and respectable judicial establishments in their deteriorated settlements, and therefore a principal source of emolument looked to by those who bear rule in them is rather, it should seem, to connive at the protection purchased by persons who, having committed offences, or withdrawing from the reach of their creditors in Calcutta, take refuge in these places, than to afford the facilities of justice to those who have been wronged. The Judges have frequent petitioners before them at chambers upon this subject, to whom they can of course give no redress. I have been even informed lately of threats held out by a debtor, that he would take refuge in one of those settlements if further advances were not made to him; and this, I am told, is not unfrequent.

During the late war, and while this government has had the military possession of those foreign colonies, the evil has been lessened in respect to criminals, by this government charging itself with the criminal administration of justice within their limits; but the civil courts were and still are left in the independent operation of their several national laws, though under the direction, nearly nominal, of a British subject; and when the factories are restored, even this faint check will be removed. The cession by the Dutch of Biriagore removes the evil from that spot, but leaves it in full force in the other places. What would become of judicial process in London, if France, Denmark, and Holland held Hounslow, Brentford, and Barnet in sovereignty, though Highgate was given up to the Crown of England?

I know not by what title the several parent countries of these foreign factories can affect to hold them in sovereignty. I should rather apprehend that the sovereignty was vested in the British government, which by conquest and by treaties has succeeded to the former Mussulman dominion. But if they still affect an exclusive possession, which the British government may not think it worth while to contest, they would probably have no difficulty in making arrangements with it for the mutual surrender of their criminals. But what redress can be obtained against fraudulent debtors escaping from one jurisdiction into

another, unless there are independent courts in each, well appointed and provided for, and filled by persons who have no interest in screening those defaulters from their injured creditors? These factories are in truth no longer of any real use to France, Denmark, or Holland. There is no one subject of theirs having common honesty and discernment who would not prefer carrying on his trade in Calcutta (as many of them do) under the protection of the British government. Nothing political remains of any of these settlements but the nuisance of them, if considered as independent jurisdictions, to the inhabitants of the British territories. They arrest the course of justice, and afford a shelter to knavery.

If the several foreign powers do not agree to maintain an efficient and well appointed judicial establishment, each in its own settlement, it should be proposed to them to withdraw their judicial establishments altogether and recognize the British courts; stipulating, if they please, that those courts should, in matters between their own European subjects only, judge according to their own laws, or unless the contrary should be stipulated for between the parties in writing, should judge according to the law of the defendant's country, of which evidence may be given as in other similar cases.

No. 2.

A Sketch of the State and Condition of the Native Population within the Jurisdiction of the Supreme Court in Calcutta, in respect to Laws and Usages; with Hints for ameliorating them.

By the constitution of the Supreme court, under the King's charter and various Acts of Parliament, all the native inhabitants of Calcutta, Hindoos and Mussulmans, as well as British, are placed under the protection of the King's laws; saving to the two former those parts of their respective native codes which are essentially local in their nature; and since that period, the rapid rise of Calcutta, and the growth of its population from all parts of India, are, I believe, without example in the world, and are still proceeding with increased activity. This is some earnest of the real estimation by the native inhabitants of all the provinces for the system and administration of the British laws.

Situation under the charter of 1774 and Acts of Parliament.

Reserving the state of the British inhabitants for a separate consideration, the present notice is confined to the original native inhabitants, and to such foreign settlers as have colonized among them.

See the antecedent paper.

On a close observation and comparison of the several legislative provisions made for the government of India, it will be found that the statutes, speaking in particular of British subjects, or of the subjects of his Majesty, use those terms in contradistinction to native inhabitants; although in strictness of law all the native inhabitants within the Company's territories are subjects of his Majesty, and therefore in an enlarged sense might be considered to be British subjects, in like manner as a native of Ireland, even before the parliamentary union, was as much a British subject as a native of Great Britain;

Distinction between British and native subjects.

that is, they are native subjects of the British King and Crown, though under different administrations of government, holding authority under the same prince. And this, which could never have been seriously questioned after the supremacy of the King of Delhi became purely nominal, is now put beyond all doubt by the formal declaration of the legislature in the Act of the 53d Geo. III. c. 155, which asserts the undoubted sovereignty of the Crown over the Indian territories. And it may be relied on that the native inhabitants in general, but more particularly the Hindoos of all ranks, are proud of this distinction, and zealous for its full extension to them.

Inhabitants of Calcutta subject to British laws; saving local laws of Gentoos and Mussulmans.

The distinction, however, which is adverted to, has been made for judicial purposes throughout this class of statutes by which the administrations of the Supreme court is governed. When therefore the statute 21 Geo III. c. 70, defining anew the jurisdiction of this court, establishes it generally over all the inhabitants of Calcutta, (including of course every description of persons inhabiting it,) the 17th section provides that the inheritance and succession to lands, rents, and goods, and all matters of contract and dealing, between Mahometans, shall be determined by their own laws and usages, and the like between Gentoos; and when only one of the parties shall be a Mahometan or Gentoo, by the laws and usages of the defendant.* In all other respects these, and in every respect the other inhabitants of Calcutta, are placed under the same laws of England which govern British subjects in the same place, with certain exceptions hereafter noticed.

Different descriptions of inhabitants.

The inhabitants of Calcutta may, for judicial purposes, be classed into—

1. British European subjects and their legitimate descendants.
2. Hindoos or Gentoos.
3. Mussulmans.
4. Other proper natives of Asia, neither Hindoos, Mussulmans, nor Christians.
5. Portuguese, Armenian, and other Christians of native or foreign extraction, together with half-caste or illegitimate Christian children of British subjects by native mothers.

British Europeans.

1. The situation of the first class is separately treated of in another paper.

Hindoos and Mussulmans.

2 & 3. The Gentoos (more commonly called Hindoos) and the Mussulmans of the British dominion in India may for this purpose be classed together. They are each to be governed, as the statute 21 Geo. III. c. 70, enjoins, by their own laws of inheritance, succession, and contract, respectively, as between themselves. But many of these laws, formed in rude times, are imperfectly adapted to the modern growth of arts, knowledge, and civilization around them. The men and their manners have undergone more alteration than is generally suspected; but the laws, though construed as favourably as possible to meet this change, still remain in substance the same. Both codes, particularly the Hindoo, have multifarious rules enough; but almost every one has its contrarient constructions and its convenient loopholes for the strong and crafty to escape through, with as many avowed diversities as there are provinces. This leads to endless uncertainty and litigation.

A small portion of this evil in civil and a much greater in criminal

* Papers No. 3, On Mofussil Laws, &c., as to the peculiar local laws.

matters has been mitigated in the provinces, where the government has continued to exercise a legislative power, though cautiously exerted, to correct abuses and to supply defects, when flagrant, especially in matters connected with revenue or police. But ever since the appointment of the Supreme court, and indeed I believe I might say ever since the institution of its predecessor, the Mayor's court, in Calcutta, the Hindoo and Mussulman civil codes have been stationary, and submitted to no improvement within the local limits, except such as was capable of being introduced by construction, under conflicting or silent authorities. Their criminal codes were entirely laid aside in the first instance.

Proposal as to internal power of legislation.

I should propose that the local government, with the sanction of the Supreme court, should at least have the power to extend any new laws into Calcutta, with or without modifications, as parts of the Hindoo or Mussulman codes, which the government may have found it expedient to adopt in the Mofussil. What would be thought of governing the people of Great Britain at this day by the laws of the Heptarchy?

Suggestions of particular laws. Wills.

Added to this, the Hindoos have insensibly adopted some of our laws, without any authority except the sanction of the Supreme court, giving effect to their acts. For instance, they now very generally dispose of their property by will; but the Supreme court being restrained to give probate of wills and grant administration of the effects of British subjects only (in the confined sense before noticed)*, and the Hindoos having no place of deposit, like our ecclesiastical court, for the safe custody of their wills, there are numberless temptations to forgery, and ample time for the fabrication, according to circumstances. The executors are under no obligation to deliver schedules of the personal property upon oath, or accounts of their receipts, by which their fidelity may at any time be brought to the test, if necessary, except by the burthensome process of a suit in equity, which can seldom occur in time to have the desired full effect, nor without a previous dispute among the spoliators for a division of the spoil, and the expence of which can only be borne by an estate of a certain magnitude; consequently women, infants, and absentees, have no adequate check upon such administrators of their properties, whom it is now extremely difficult to fix with the possession of personal and sometimes even of landed property at any distance of time, so many ingenious devices have they for covering such possession in other men's name. And in all instances the parties injured run great hazard in substantiating their claims, when all the documentary proofs are in the hands of their spoliators.

Many of the most sensible Hindoos with whom I have conversed on the subject, deplore this deficiency; and in a late instance, where the government had reasonably refused to pay money to one who claimed to be the representative of a deceased Hindoo entitled to it, without assurance of his representative character, I could devise no better method, in justice to both parties, than to admit him, at his own request, to deposit the will, as in registry, with the Registrar of the Supreme court on the ecclesiastical side, and to administer a voluntary oath, at the Hindoo executor's request, verifying the will, and

* Vide Charter of 1774, s. 22.—Q. if the charter of the Mayor's court in 1726 was so confined?

his own representative character.* But by way of precaution, and that no person might be misled by it to attribute a greater authority than belonged to such an act, I directed the Registrar to draw up the verification in writing, which was to be given to the party by way of memorial of his claim, as having been made voluntarily, and noting that the will was not registered, but voluntarily deposited as in registry. Regular authority, however, is clearly wanting to authenticate, and still more to establish the duty of registering Hindoo and Mussulman wills, for purposes of property. Something of this kind already exists in the Mofussil.

Marriages, divorces, and separation.

[This must be understood in regard to the inferior classes.]

The Mussulmans feel the want at times of a jurisdiction for the direct cognizance of their marriages, divorces, and separation, which have been heretofore dealt with, for want of a better authority, in a very arbitrary manner, by some of the police magistrates. The Hindoo customs seldom or ever give rise to such questions; or if these do arise, they are for the most part settled *in foro domestico;* though I have known attempts to enforce separation on the part of Hindoo women by their parents and friends. The Judges are often solicited at chambers, particularly by Mussulmans, to exercise this kind of jurisdiction, but know not by what authority it can be assumed; and I have therefore only interfered, and that but rarely, either as a mediator, or by referring such questions to the Cazies, who repudiate any express authority in themselves, except as referees by consent of parties, having no means of enforcing obedience to their judgments. The head Cazi in particular saying, upon my application to him for information, that the power of divorce and separation properly belongs only to the chief magistrate of the state, and is not exerciseable by inferior magistrates. A Mussulman of high rank informed me that he considered the authority of enforcing those judgments as necessarily forming part of the supreme power of the state. But in truth it would be dangerous and impolitic to give any of the Mussulmans judicial power, without British controul; it would soon be made an engine of barter. The Hindoo, I fear, is remediless, on account of the rules of caste.

Interest of money.

The British statute law of Queen Ann, limiting the rate of interest to £5 per cent., and inflicting penalties on usury, does not apply to this place, being founded on local considerations at home; and the statute 13 Geo. III. c. 63, s. 30, only restrains British subjects from taking more than £12 per cent. But this does not extend to Hindoos; and as these latter were not originally restrained in their contracts to any certain rate of interest, and their contracts are saved as between themselves by the 17th clause of the statute 21 Geo. III. c. 70, before mentioned, the door was consequently left open to excessive usury on their part. Nothing, however, can be more absurd and unjust than to enable natives to take a higher rate of interest from British subjects than the latter may take from them.

This evil, with respect to the provinces at large, has been provided against by a modern regulation of the government, restricting interest on loans to be taken by natives to £12 per cent.; but as that regulation does not extend into Calcutta, (as being within the exclusive pale

* We have since permitted the Hindoos to take probate of wills and letters of administration at their own free will, but do not hold it necessary for them in order to give title.

of the British jurisdiction, and under a distinct legislating power,) the usurious native of the capital is left without any other restraint than one which perhaps in strictness cannot be justified, that where resort is had to the process of the Supreme court to enforce money contracts, it has not allowed more than £12 per cent. in any case to be recovered, as being against conscience and oppressive. And I found that in very flagrant cases of oppressive interest beyond £12 per cent. the court had disallowed interest altogether, though expressly reserved; which seems to be going far.*

The iuterest which the court allows (thence called court interest,) where no express rate is stipulated for, was £10 per cent. We reduced it to £6 per cent. in 1821.

The remedy, however, afforded by the court can only be given to the oppressed, if he be rich enough to contest the payment of more than £12 per cent. and drive the usurer to his action; and unless the amount is considerable, he must probably be a loser upon the balance against the costs of the action, or at least his own costs. It is notorious that the common people of Calcutta universally pay more than £12 per cent. for their loans; in general nearly double, and frequently still more, under various pretences. The rate of interest in the native capitals of India is ordinarily above £12 per cent., and often from £20 to £25, on account of the insecurity of the principal.

It is no doubt politic to permit a higher rate of interest at Calcutta than is allowed in England, in order to draw the monied natives of India (who live for the most part on the interest of their capitals) into Calcutta, where it is employed in aid of British trade and enterprize, and of the government itself, on pressing occasions: and also for the sake of those British subjects holding office here, who look to a return home, after a moderate number of years, on the savings of their salaries, placed out at interest in the mean time. But I can see no manner of objection to the same rule of interest, not exceeding £12 per cent., being established in the metropolis, which the government has thought proper to affix as the limit to the natives in the provinces, and to which the British subject is confined; and justice requires that it should be done. Remedy.

With respect to caste, although many wrongs are committed on this account, or under this pretext, principally with a view to decoy young women from their husbands, or to extort money; and although the Judges are frequently applied to at chambers for redress by the inferior classes, and have sometimes interfered in flagrant cases, by way of advice and recommendation to the parties themselves, or by reference to the police, where the attempts have been mingled with breaches of the peace; yet, after the fullest consideration I can give to this difficult subject in its political and moral bearings, the best mode of treating it appears to be *in foro domestico*, to which it should be left, though the Judges and Magistrates will still hear of it extra-judicially in cases of gross abuse. Rules have been promulgated, giving direct cognizance of matters of caste to the Mofussil courts; but, as I am informed, with little judicial result, and that little not of an encoura- Caste.

* In a case which occurred subsequently to the observations here made, the court thought they were bound to give £12 per cent. interest, as it was reserved by the contract, though the contract itself was founded on an usurious consideration by the English law.

ging nature. Connected indeed with conspiracy, assault, or the like, caste is properly cognizable, even in the Supreme court; but there the abuse of it is connected with crime.*

It is become quite a matter of course amongst the inferior classes, and is gradually spreading upwards, where a native has lost caste, to repurchase his admission for a moderate sum. This is one of the seeds of the destruction of caste. The purchase is made amongst the lowest classes for eight or ten rupees; for a man of some substance, about 100 rupees; for a Brahmin of good rank, in fair circumstances, about 1,000 rupees; under particular circumstances, and by very wealthy men, 20,000 rupees, or more, have been formerly paid; but the price is more likely to be lowered from time to time as the institution becomes more lax. There is, however, a current notion that nothing can recover the original pure Brahmin caste of a Peer-Ally-Brahmin, now a numerous and money-getting body, who formerly lost caste by some contamination under the Mussulman government, which to this hour the Hindoos most cordially detest. The Hindoos have a common tradition among them, that all men will ultimately be of one caste.

Hindoo minors.

A Hindoo minor attains his full age, and the entire possession of his property, at sixteen. It is easy to believe, and the fact is notorious, that at this early age the possession of wealth within his immediate power of disposal attracts about him a swarm of necessitous and greedy dependents and profligate associates, bent upon the spoliation and waste of his substance. The government long ago became conscious of this evil, and have, I believe, in part rectified it, by a regulation extending the period of minority to eighteen in the Mofussil; but in Calcutta the old rule remains in force. This always appeared to me a grievous defect.

Sale of infants' property for necessary subsistence, &c.

By the Hindoo law, in cases of necessity, for subsistence of the family, for marriage portions for daughters, and also for srâd ceremonies on the death of parents, &c., and for other religious purposes, the ancestorial property of infants may be disposed of, either by the eldest brother of an undivided Hindoo family, when of age, or in the infancy of all the brothers, by their mother, or others of the family *in loco parentis*; and, as some of the authorities say, even by a servant or friendly stranger to their blood.

There is no more frequent source of litigation amongst the inferior and poorer classes than this. In a country where there is no public provision for the maintenance of the poor, (one of the noblest attributes of England,)† this power seems to be founded in necessity. But the due exercise of it, resting as it must do upon local and contemporaneous facts *dehors* the title itself, is very difficult either to be proved on the one hand, or controverted on the other, at the distance of a few years, when only it is ever likely to be questioned; and whenever there is a suspicion that the power has been unduly exercised, the contest generally involves in ruin either an innocent purchaser or the helpless infant.

Remedy.

For the sake of both of these, it would be desirable that the existence of the necessity, especially in cases of small property, should be

* I have not for several years heard of any question about caste at chambers,—January 1822.

† I still think so as to the law itself of Elizabeth, though much abused in practice.

established in the first instance before some proper officer, (perhaps one of the police magistrates in Calcutta, or a provincial magistrate in the mofussil, would be the best,)* who should be authorized to inquire of it, and without whose fiat no title should be conveyed to a purchaser so as to bind the infant, and with whose fiat the purchaser's title should be secure, unless upon proof of his fraudulent connivance with the real vendor; for the signature of the infant is always obtained without fail.

Pauper petitions.

The Judges of the Supreme court have always been accustomed to receive and hear pauper petitions at chambers; a practice irregular indeed (there being no cause in court), but highly beneficial to the inferior classes, to preserve them from the plunder and oppression of their greater neighbours, both native and British, but particularly the former; and instances are said to have occurred heretofore of summonses and summary decrees of the Judges having been enforced by imprisonment and other irregular methods, no longer, if ever, practised. These complaints, though preferred as pauper petitions, are very frequently preferred by persons far removed from real pauperism, to avoid the expence of litigation.

The course which I have pursued is this. Having received a petition in writing from the complainant, I shortly examine him, *ore tenus*, as to the grounds of it, in order to ascertain the probability of them, and to supply any defects or correct any errors or inconsistencies apparent upon the face of the petition, which is often drawn up by inexperienced persons; and I take a note of his answers on the petition. This serves as a future check. If no probable ground be laid, or if the complaint be stale, and its staleness not satisfactorily accounted for according to the subject matter; or if it turn out that the complaint has been before heard and determined upon a former petition to a Judge, in this or in any subsequent stage of the inquiry, the petition of course is dismissed.

If the petition be entertained, a summons issues to the defendant to appear on a given day; (and this is perhaps the most objectionable part of the proceeding, that a Judge should issue a summons without authority, and without legal means to enforce the attendance required, there being no cause in court.)† If the defendant do not attend on the summons, I proceed no further, but refer the petition to the consideration of the paupers' attorney (an officer appointed by the court), whose duty it is to examine the cause of complaint, to hear the party's witnesses, (and, as it may be, to consult the pauper's counsel on matters of law,) and thereupon to report shortly to the Judge that the party has or has not a good probable ground of action; and also whether he is a pauper, the criterion of which is, that he is

* Since writing this I have referred some cases at chambers to the pundits, to inquire into the necessity, in the first instance, when it was stated to arise from debts contracted by the deceased owner, and to authenticate the depositions of the witnesses before a magistrate. This experiment is still in train.

† Query, if a power to summon without writ might not be confided to a single Judge, reserving to the party summoned the option of declining the summary jurisdiction altogether, and driving the complainant to his regular remedy at law or in equity? On this latter ground only would I recommend it here, on these pauper petitions presented to the Judge at chambers.

not worth above 100 rupees, besides his bed and wearing apparel. If the report be in the negative on either ground, the petition is dismissed; if affirmatively, the judge admits the petitioner to sue *in formâ pauperis;* and then, if the defendant do not agree to refer the cause to some proper person, when required by the pauper's attorney, (for which the defendant himself may also petition the Judge,) or if it be of a nature unfit for reference, the suit proceeds in regular course.

If the defendant obey the summons and appear, I question him upon the several grounds of the plaintiff's petition, in order to ascertain what are the real points of difference between them; noting down the substance at least of his answers. This is a sort of pleading *ore tenus*, till from the several answers of both parties in presence of each other they are brought to one or more distinct issues, which I write down, and communicate to them; and if they agree upon the facts, and the difference is on matter only of law, the assistance of the Pundit or the Moulive, as it affects Hindoos or Mussulmans, is called in, and their answer sometimes decides the case. If the difference be, as it more frequently is, on matters of fact, it is inquired of them whether they agree to refer the decision to any arbitrator of their own choosing. If the defendant acquiesce, then, unless it is a very difficult or complicated question, I should not assist the plaintiff with the aid of paupers' establishment, in preference to arbitration. If the matter be referred, it is settled in that way. If the defendant decline a reference, the petition is then referred to the paupers' attorney, to inquire more regularly of the facts, and report as before; or it may be first submitted on the matter of law to the paupers' counsel.

But it not unfrequently happens, that on the discussion before the Judge himself the parties come to an agreement to do such and such things; and the defect of this mode of adjudication is, that there is no method of compelling the observance, if either should afterwards swerve from his agreement. I think therefore that it would be useful to enable the Judge, in such a case, to direct a note to be taken of any agreement of the parties before him, and to make it a rule of court, to be enforced by attachment.

Remedy.

I should see no objection to giving the Judge a power to administer, if he thought fit, an oath to such parties as voluntarily offered themselves to be examined upon a summons. The statute 41 Geo. III. c. 105, goes further, and authorizes Judges, to whom certain petitions are referred in order to ground proceedings in parliament, to examine witnesses on oath.

These are some of the principal emendations most generally called for, as far as my own experience in such matters has gone; but other inconveniences occur from time to time which require to be remedied. As to the best mode of applying the remedy, I refer to the general observations before submitted in another paper, relative to the state of the British population, so far as they are applicable.

Vide No. I.

Natives of India other than Hindoos, Mussulmans, and Christians.

4. There are natives of India in Calcutta, neither Gentoos, so called in the charter, (if by that term be meant native Hindoos of the Gentoo religion, who alone, in common acceptation, are here called Hindoos, in contradistinction to Mahometans,) nor Mussulmans, nor Christians, whose legal condition is next to be considered. The Supreme court, in addition to the British, which is their general text

law, is directed to take cognizance only of the Gentoo and Mussulman codes, as established among the native subjects. Hence, when questions have arisen concerning the laws of marriage, adoption, title, inheritance, and succession, as practised by others than Hindoos or Mussulmans within the British territories, there has been great difficulty and uncertainty in dealing with them.

Since I have been here, questions have arisen concerning the inheritance and succession of sikhs in Calcutta, depending on the questions of marriage and adoption, the forms of which are different from those of the Hindoos in general; yet in that instance the difficulty was gotten over, by considering the sikhs as a sect of Gentoos or Hindoos, of whom they were a dissenting branch. Sikhs.

The case of Birmans and Avanese, who are Bhuddists and foreigners to Hindoostan, though approximating to the Gentoo faith, would be more difficult. Birmans, &c.

But what shall be said to the Parsees and Chinese, the former of whom are beginning to spread to Calcutta from Bombay, and the latter are already become very numerous here, and are yearly increasing? What to the Javanese and others, all of whom are aliens to the Hindoo code, established in British India? Parsees. Chinese. Javanese.

With respect to the title of land, it must follow the local law of the country, in whosesoever hands it is. If the person last seised of real property within the local jurisdiction of the Supreme court be not a Gentoo, by which is understood here a Hindoo of the common superstition, or a Mussulman, we can only recognize and apply to him the British rules of inheritance and succession; and in this there seems to be no inconvenience, for the owner may always vary the distribution by his will. But what is to be done with the adoption and marriage and divorce of foreigners? The law of adoption has ever been local and special since nations have ceased to be migratory. The ceremony of marriage, also, is a local law throughout the world. If a marriage be contracted within the pale of the British laws, by a form not recognized either by the British, Hindoo, or Mussulman code, how is it to be recognized as conveying claims to property, for we have no authority to go by any other codes? The Hindoo code, indeed, allows of all marriages and adoptions of strangers domiciled amongst them, according to their own several national forms; but the Supreme court has only authority to administer Hindoo law as between Hindoos, not as between strangers. Inheritance and succession of foreigners settled governed by local laws. Q. Adoption, &c

The fashions of the several races of strangers domiciled here are too fixed to bend readily to local customs; and the main question will be, whether the British Government is desirous, by a public recognition of their several domestic customs of marriage, divorce, and adoption, amongst themselves, to encourage these foreign settlers in Calcutta, as the great mart of Asia, and thereby forming a link of commercial connection with their respective countries. Each of these knots of settlers herd together, and are continually increasing, particularly the Chinese, most of whom are now stationary.

The Arabs, who are also numerous as Mussulmans, though foreigners, are within the letter at least of our legal provisions. Of these, the Wahabees would seem to be only a sect. Arabs.

We have also a few Jews, who have probably, like their brethren in England, some private bond of conscience, by which all questions Jews.

concerning their domestic relations are settled *in foro domestico:* for we never hear of them in court, except sometimes as hired bail, so true are they to this calling in different parts of the world.

Portuguese and other Christians of native or foreign extraction and half-castes.

5. The Portuguese, Armenian, and other Christians of native or foreign extraction, together with the half-caste or illegitimate Christian children of British fathers by native women, form a very considerable and important class, which for several purposes is out of the pale of the British laws, though not within the Hindoo or Mussulman rule.

How distinguished from European British subjects.

In framing statutes for British India, the legislature seems only to have had in view three descriptions of persons; British European subjects, with their legitimate descendants, and the Hindoo (or Gentoo) and Mahometan natives of India. Throughout these laws, British subjects and subjects of his Majesty are terms used in contradistinction to native inhabitants; and it is only under the description of inhabitants of Calcutta that the Supreme court now exercises any direct jurisdiction over the persons of whom I am immediately treating.*

Portuguese Armenians.

If a native Portuguese or Armenian Christian have his dwelling beyond the Mahratta Ditch, and commit a felony, he must be tried by the Mofussil Judge; but by what code of law I am unadvised. Such persons have not for many years served upon a jury in Calcutta; but previous to the year 1780, Portuguese Catholics, as I am informed, did serve upon juries, and a gentleman of that description now living tells me that he has done so. When sued in the Mofussil courts, none of these persons can appeal under the late Act of 53 Geo. III. c. 155, the right of appeal being confined to British subjects in the sense I have stated.

This is not so much felt by the Armenians in general, who being in part an eastern people in their habits and manners, (with the exception of a few principal persons here, who have altogether adopted the European costume and manner life) are little troubled about their comparison with the British, though far from indifferent to it, and all of whom are respectable for their integrity. But with respect to settlers of Portuguese extraction, several generations of whom have been born and bred under the British government, and some of whom have latterly been educated in England, many of them men of wealth and liberal education, they necessarily feel their want of political consideration in these matters. A few of the Portuguese are Protestants. For the rest, if their Roman-catholicism were not thought to be an obstacle to their sitting upon juries before 1780, it is not obvious why it should be so now. But I rather attribute the disuse of summoning them from that time to the construction which was put on the term British subjects in the charter of 1774. The present depressed condition, however, of the mass of the native Christians of Portuguese extraction, or those who pass for such, would practically operate to exclude most of them from the panel. Many used formerly to be employed as clerks in the offices of government, and of the principal merchants and agents; but of late years they have been superseded for the most

* The court at Madras have lately doubted whether they could try a German soldier who had been 30 years in the King's service, in a British regiment, and had taken the oath of allegiance. But this is now, I believe, provided for in the Mutiny Act.

part by the more ductile Hindoo sircars or writers, whose labours are cheaper, and they have consequently fallen into great depression and poverty. They are still, however, a numerous body, partially mixed in blood with the Hindoos, and though ill-educated in general, many meritorious individuals are to be met with amongst them.

Half-castes.

The illegitimate offspring of British fathers by native women, usually denominated Half-castes, are not the least numerous class here, and are daily increasing and thriving. Some of these having been educated at home as gentlemen, and others having received the best education this country affords, can but ill brook their exclusion from British privileges, and in particular from the jury box. Many persons I know, with whose judgment my own accords, think that the true policy of government lies in making these and all the other persons of whom I am now treating essentially British; and it is in deference only to other feelings, still prevalent, but giving way, that I refrain from recommending the entire and immediate measure. But in order not to nourish and increase a spirit of inveteracy, by shutting the door to individual merit, and for the purpose of letting in and making your own the most deserving at least of this numerous class to share the privilege and the burthen of the jury service without creating any public sensation, and while our own juries are complaining much of the increased burthen thrown upon them in consequence of the sessions being holden four times in the year, their numbers being comparatively few, it might be an experiment worth trying, to empower the local government to admit so many individuals, or such classes, of this description, as it should deem most fit and worthy, into the roll of British subjects liable to serve on juries, out of whom the sheriff should be enabled to return the panels as usual.

[*Sed quære*, whether the sheriff would not as well attend to a proper selection, without an invidious interference of government.]

I throw out this hint for consideration, even upon a more extended scale, at a future time, as circumstances shall point out.

Condition of native Christians.

It is worth while to consider in what condition these persons are, if they be not British subjects. They are native born, and cannot upon any common principle of justice be debarred from colonizing in their native and only country. What is their law of inheritance, or succession, or marriage, out of the precincts of Calcutta? Can the Hindoo or Mussulman law be administered to them as Christians? The attention of government is seriously called to this subject, which every day may bring into open legal discussion. Though the general question of colonization of British subjects in India should be regarded in the same light of national policy now as it was before the East-India trade was thrown open, to the monopoly of which it seemed to bear closest affinity; and though measures were now in train for assimilating to the British government, or satisfying the nascent influence and ambition of the great landed proprietors who are growing up, under the permanent settlement, without any counterpoise of British territorial power or of British influence, except that of office, every day sinking in relative wealth; still the condition of these persons, as the only links in the chain of popular connection, will deserve more consideration. Nor does the difficulty rest here.

[That measure, sound in principle, seems to have been too hastily executed; but it demands more extended consideration than can be given to it here.]

While pursuing my inquiries with a view to this subject, I received information of a fact curious in itself, and leading to important reflections. A gentleman of large property and great personal respectability, always considered here as of Portuguese extraction, gave me this

Hindoo converts. account of his family, that they came originally from Bacien, lying to the northward of Bombay, and were Hindoos of the Brahmin caste. How converted, whether by the sword of the Portuguese or otherwise, he could not say. One of his ancestors took the Portuguese name which he now bears, in consequence of the Portuguese general of that name standing godfather to that ancestor at his christening. When the Portuguese lost possession of the island of Bacien, the family, then bearing their Portuguese name, retired to Bombay, at which place the present gentleman was born. His family is and always has been essentially Hindoo, and natives of this country, though long since become Christian. He himself was born within the allegiance of the King, and knows no other sovereign. He is an entire stranger to Portugal, though bearing a Portuguese name, which commenced in the manner described, and has been conveniently continued for purposes of trade. The family connections, however, with Hindoos have been all along continued, and are still preserved, as far as the difference of faith has permitted.

Look at the condition of this gentleman (which may be the secret condition of many others,) and compare it with the British laws in general, and with the construction of them which has hitherto held at home, and then say why he should not be deemed to be a British subject, as he claims to be; and whether, as the British laws framed for India are now and always have been understood, there is not great difficulty in treating him either as a Hindoo or as a British subject in regard to his legal relations here, or indeed in saying under what legal relation he stands here. He cannot be an alien in his own native country, and in that of his ancestors.

Take another instance. Suppose a Brahmin to reject idolatry, and declare himself a Unitarian, and such an instance has occurred, but still he says he will not do any thing willingly to forfeit his caste, considering it probably as the nobility of his country, which he is desirous to preserve; and therefore declines eating, &c. with us, though he invites company to his house and sits at the table with them.* Before he made public declaration of his faith, he consulted, as it is said, upon this point of caste with his family, and with forty others of the principal and most respectable of his neighbours and friends, who promised to uphold and continue their association with him; and he added, that if the other Brahmins were satisfied with this, he should take no further steps to sever himself from them, or to influence others, who, in case of extremity, would, he thinks, follow him in his entire separation, to a considerable number.†

This is a novel attempt, and if successful, which remains yet to be proved, may be followed by important consequences. A Brahmin certainly regards his string, independently of religious motives, as conferring worldly distinction upon him: it is a mark of high descent, to which he naturally clings. In proportion as this feeling gains strength and encouragement, the other feeling will abate, and be melted down.

* All the principal Hindoos now invite English gentlemen to entertainments at their houses, and furnish their table with cakes, &c., fruit, and wine, but do not partake themselves of it.

† The same person has published an address to his countrymen, for the purpose of proving that idolatry formed no part of their ancient faith.

What is the legal condition of this last-mentioned personage? The distinction he is attempting to establish seems, if he succeed, to leave him essentially Hindoo as to customs and laws, respecting himself and his own rights, and so far it differs from the antecedent case. But it is certain that great difficulties must hereafter arise in the civil relations of a professed convert to Christianity. Could such a person maintain a lawful plurality of wives, on which the legality of his issue, on a question of inheritance, must depend, particularly in case of a subsequent marriage, depending as it does on the legality of the marriage rite, which the Hindoo law (though it recognizes the marriage of a stranger according to his own national form) has not yet recognized as between Hindoos, if not performed according to its own rite?* Is such a person to be deemed a Hindoo in point of law for one purpose and not for another? His will could not be proved in the Supreme court, which can only grant probate of the will of a British subject, as elsewhere explained. Would the Pundits consider a professed Christian convert from their faith as a Gentoo for any purpose? Or is he to lose the benefit of the one code without acquiring that of the other?

[Perhaps this had better be left to the gradual construction of the courts.]

I submit to the consideration of Government, that their protecting hand should be so far extended to persons of this and the like description, as to make provision that no native of India shall forfeit any rights of property or personal benefit, on account of his profession of any particular faith or doctrine, which he would be entitled to and claimed by any law of title, grant, inheritance, or succession established in India, which was binding on the person or persons last seised or possessed, or on those from or through whom they claimed; and recognizing the marriages of all descriptions of persons in the several forms acknowledged and practised according to each faith, and giving probate of the wills and administration of the effects of all Christians within the jurisdiction of the Supreme Court.†

This, with the general or with the special power before proposed respecting the admissibility of Christians in general to serve on juries, would smooth most of the difficulties that are prominent in the moral and judicial native horizon.

But it must be observed, that so long as a British subject, in the sense before mentioned, is prohibited from acquiring land in this country, it must be injurious to any person of native extraction to be declared generally a British subject, unless an exception be made in this respect in favour of native-born subjects in their own proper country.

Points of immediate necessity.

At all events, there are two points to which the immediate attention of Government is called for the whole of this fifth class of persons, if it should not be thought more politic and advisable at once to declare them British subjects, saving to them the right of holding land, as native-born, and of not being sent to England for trial, &c.

* The Pundits say, that there are eight principal forms of marriage used among them; but in giving their opinion in the case of a sikh marriage, they said that they considered the contract as the essential part, and the ceremonial part as mere form, to give solemnity and notoriety to the contract.

† This is independent of the suggestion in another place, as to the wills, &c. of Hindoos and Mussulmans.

Probate of wills and administration.

The one is to enable the Supreme court to grant probate of their wills and letters of administration of their intestates' effects. By the 22d clause of the King's Charter of 1774, the power of granting probate and administration is expressly confined to British subjects only, and extends not even to inhabitants of Calcutta; and these Christian natives (other than such as are born of British parents in lawful wedlock) are not deemed to be British subjects, as I have had occasion to remark, within the special national sense of the charter and of the several Acts of Parliament. However, many of them may have been in the habit of applying, for this purpose, to the ecclesiastical side of the court, which has passed *sub silentio*. It must at least be admitted that there is great doubt upon the subject. The inconvenience of this is too obvious to be insisted upon, in case any dispute should arise upon the grant of administration to such a person, particularly if the question arose in any foreign court. This power ought therefore to be supplied without delay with a retrospective clause confirmatory of passed Acts, even if it might not be done by a declaratory law; for certainly their exclusion could never have been contemplated. And if it were thought proper to put all this class of persons at once upon the footing of British subjects in all respects, if born within the British dominions in India, it might be done by a general declaratory law, that all persons born within the British dominions in India, and domiciled in Calcutta, being Christians, have been, and shall, so long as they are thus domiciled, be deemed to all intents and purposes to be British subjects within the meaning of the Charter of 1774, and of the several Acts of Parliament passed for the regulation and government of the British dominions in India; saving to them all rights of holding land as native-born subjects, and exempting them from being sent to Great Britain as unlicensed persons, &c. or by way of trial and punishment.

Declaratory law. Nota.

This provision is exclusive of the observations elsewhere submitted as to native Hindoos, Mahometans, and others, within the local jurisdiction of the Supreme court.

Contracts for trial by the Supreme court.

The other point for present consideration is, that these Christians of native or foreign families settled here, and half-castes, cannot for the same reason avail themselves of one of the most beneficial clauses in the Charter of the Supreme court, without which few can dare to enter into contract with any native or foreigner living beyond the jurisdiction of the Supreme court. The 13th clause states that the court shall have power and jurisdiction to determine all such causes, &c. against every other person or persons whatsoever, inhabitants of India, residing in the said provinces, &c. of Bengal, &c. upon any contract or agreement in writing entered into by any of the said inhabitants with any of his Majesty's subjects,* exceeding 500 rupees, when such inhabitants shall have agreed in the said contract, that in case of dispute the matter shall be determined in the said Supreme court. Instances have occurred where, for want of an extension of the privilege, Portuguese and other permanent Christian settlers of great respectability, having had dealings with natives or foreigners upon the strength of their entering into written contracts to answer for any breaches of their engagements in the Supreme court, have been ousted of their remedy by the swindlers withdrawing

[No person by his private contract can give jurisdiction to a court which has it not by law.]

* This is one instance where the term "His Majesty's subjects" is used in contradistinction to the inhabitants of India generally.

themselves out of the local jurisdiction of the court as soon as they had obtained their money or goods, and setting them at defiance. It may be said that the creditors have a remedy in the Provincial courts; but such is the state of business in those courts, the uncertainty of the system of law, and the delay and vexation of a protracted attendance, that many persons prefer to abandon their just demands rather than pursue them there; an evil which must naturally increase with the increasing population of the Indo-British dominions, and is much aggravated by the accumulated arrear of causes in most of those courts.

No. 3.

FIRST PART of the REFORM of the MOFUSSIL LAWS.

THE defects in the present administration of justice throughout the British provinces of India arise as well from the system of law itself as from the mode of administering it. Defects of justice.

When the Mussulmans conquered Hindustan, in order to secure and strengthen their conquest, they wisely established, having power to do it, their own courts of justice, with laws, whether of Mussulman or Hindoo origin, to be administered in their own language, which was the Persian. As they acquired proselytes amongst the Hindoos, the Hindoo code, still preserved by the conquered, naturally crept into their courts again, or was partially retained at first from policy. Origin and progress of Mofussil.

The East-India Company having afterwards acquired the dominion of the provinces from small beginnings, was too weak for some time to attempt the same innovation; and when it grew stronger, it was still embarrassed by holding its dominion under the sovereignty, more or less nominal, of a Mussulman prince; and before it was effectually emancipated, adverse interests and opinions had grown up in its own body, and amongst many of its servants, entitled to weight from their stations and characters, who long cherished the hope, as long disappointed by experience, of ameliorating the Mussulman establishments by the help of Mussulman instrumentality. From these and other considerations of a cautious policy, the Company has preserved, as nearly as the British character could be brought to bear it, the same system of judicial administration which it found conveniently established to its hands by the Mussulmans, its predecessors in the government, only new-modelling some of the forms, and modifying or repealing a few of the most obnoxious rules and practices. The criminal code indeed appears to have already undergone a substantial reform and amendment, though still defective in parts, particularly in the too great generality of criminal charges.

At this day, in addition to the two distinct and original codes of law which have prevailed in India, the Mofussil courts administer a third, now growing up, compounded of new regulations promulgated from time to time by the British government, and also of partial grafts, by construction of their own, from the English, upon the Hindoo and Mussulman laws, which the extreme uncertainty and contradictions of both the native codes render easy enough in very many instances,

if it were done upon a judicious and consistent plan, by those who have a general knowledge of judicial principles and of the peculiarities of the three different codes.

Embarrassment of the whole to the inexperienced.

This state of things must of necessity engender much embarrassment and confusion, particularly to young beginners; for in addition to the loose dogmas of the Mussulman, and the over-refined niceties and conflicting expositions of the Hindoo code, a young Judge, untrained in any systematic judicial education, has also to learn upon what points and to what extent the principles of the English law have modified, or the modern local regulations have wholly abrogated, the original texts. This is a knowledge that must require deep application and practical experience; and where are the fountains of knowledge to be found, or the living teachers to whom the scholars can have access?

Remedy suggested.

The best method I believe of escaping out of this labyrinth, in which the body of the people, the native pleaders, and junior administrators of the law, are lost, though a few of the best informed judges may discover their way, would be to give them the general body of the English common and statute law of evidence,* of contracts,† of trespasses, costs and damages, together with the substance or real sense of all manner of pleadings, stripped of their technicality, according to every subject matter of complaint; so that distinct issues only may be presented for judgment, and thereby much time and valuable labour of the Judges be saved; and also of all criminal matters, together with the substance of pleadings therein, with such necessary exceptions of a local character, in respect to the English criminal code, as the Judges of the Mofussil court of highest criminal jurisdiction should deem inapplicable to this people and to the institutions of the country.

It would be better to leave the power of rejecting prior statutable general enactments, not specially extending to India within the limit of obvious necessity, in their hands; and by degrees, as the occasions happened, and experience grew, it would be well understood what laws and statutes did or did not apply to the local condition, safety, and benefit of the people, consistently with their reserved institutions. From all the information I can procure, I believe that the change would be highly acceptable to the natives.

Retaining native laws of title to land, inheritance, succession, marriage, adoption.

I would retain the Hindoo and Mussulman text laws of title to land, of inheritance and succession, to which the respective people are accustomed; and also their rules of marriage and adoption. (This is in effect to retain every law which is in its nature essentially local, engrafting only on it the well-tried and sound principles of evidence and rules of construction derived from a more perfect and highly cultivated system.) The modes of administering these, which are at present very loose, would be gradually defined and regulated by the construction of the courts, as cases of doubt and difficulty arose; and above all, by applying the rules of construction of the English law to the whole body of administrative justice, including even the Hindoo and Mussulman text laws of title, inheritance, succession, marriage, and adoption, the whole would soon be amalgamated into one consistent and intelligible system;‡ while in every case of doubt there

* Basis of it in that part of the English law founded on immutable and universal principles of justice, with the substance of its approved forms.

† Rejecting the technical distinction between contracts under seal or not.

‡ Where native laws furnish no principle of decision, such principle to be applied *cy pres* from the English law.

would be some common regulating principle, either direct or *cy pres*, to resort to, derived from the English law, which would be the leavening principle of the whole mass.

As matters now stand, no man can previously tell, in a case of doubt, whether the Judge will look for a solution of it to any principle derived from either of the common codes, or from a modification of his own derived from all or any of them.

The laws of title, inheritance, and succession, being in their nature purely arbitrary, it is as easy and better to adopt those which are already familiar to the people than any other; and there would be no manner of difficulty in engrafting the Hindoo rules of title and inheritance, for all the sons to take equally, in the place of the eldest son, as by the English common law; or for the widow or widows, in lieu of dower of one-third, to be maintained, as by the Hindoo law, by all the sons while living together as one undivided family; or, in case of severance of the sons, to have an equal share with them partitioned to such widow or widows, in like manner as an English widow would have partition in the first instance of her third, or her share of the personal property of her husband dying intestate.

Native laws of title, inheritance, and succession.

Examples.

The successors to personality are as well known in the one law as in the other; and the same remedies are now administered by the Supreme court to natives in all cases as at home to British subjects, for securing to them their rights and vindicating their wrongs.

Succession.

The local laws of marriage are already recognized by the law of England, and need no new engrafting; the difference is merely ceremonial.

Marriage.

The law of adoption may be readily engrafted, upon proof of certain ceremonies performed; and when adopted, the son inherits in like manner as if he were born in wedlock at that time in his adopting family, with all incidental consequences, amongst others, losing his heritable blood in his natural family.

Adoption.

The rules of caste should be left to be decided as they now are at Calcutta *in foro domestico*, and would only be collaterally recognized; as where an assault was aggravated by an act offensive to caste, when it enhances the damages or punishment.

Caste.

There exists already under this government a peculiar code of revenue laws, which, having been found effectual and beneficial in general practice, would of course be in the first instance preserved, improving with experience and political wisdom and justice.

Revenue.

The benefits to be derived from this course would be immediate and extensive, in proportion to the knowledge of the English law professed or to be acquired by the administrators; for the artificial and local parts to be retained from the native codes are few and simple, and of easy attainment to men accustomed to such pursuits; while the uninformed would at least know the quarter to look to for principles to guide their judgment in doubtful matters, where now they have no known general guide or compass of any kind to steer by.

Advantage of the well-tried and well-practised general principles of the English law over other imperfect systems.

In truth, this is no new experiment, but one which has been tried for now above fifty years, and has succeeded. Upon the establishment of the Supreme court at Calcutta under the charter of 1774, the laws of England were in general transferred hither; but the statute 21 Geo. III. c. 70, s. 17, provides, that the inheritance and succession

Already experienced

to lands, rents, and goods, and all matters of contract and dealing between Mahometans, shall be determined by their laws and usages, and the like between Gentoos; and when only one of the parties shall be a Mahometan or a Gentoo, by the laws and usages of the defendant. No difficulties have been felt in adjusting the native laws of title, inheritance, succession, marriage, and adoption to their corresponding place in the English code (and none other native laws have ever come in conflict with the English,* though the forms of the latter have been bent in certain cases † to prejudices of caste); while the superior value of native property submitted to the cognizance of the English code so modified, compared with the like property under a different system, speaks more than volumes can do on the subject. I have been informed by persons of intelligence that the Hindoos of the upper provinces had lately expected the extension of the English mode of administering their law, as it has prevailed in Calcutta, to all parts of Hindustan, and were much disappointed that it did not take place.

Mode of adminising the criminal code.

The only difficulty I am aware of would arise from the British mode of administering the criminal law, rather than from the law itself; a difficulty however which already exists in full force.‡ British juries could not be found out of the different capitals of the Indian governments; and a jury of natives in the country would not, in their present condition, be practically wise.§

But do not reject a partial good because the entirety cannot be obtained, or cannot be obtained at once. Let the Mofussil Magistrates in the provinces continue as before to administer the laws, criminal as well as civil, (subject, however, still to the revision of the superior tribunals in cases of weight, which the measure of punishment would sufficiently define for all practical purposes,) until present conviction or growing experience shall point out the necessity of an improved system and administration; for let the system be what it may, any substantial benefit to the subject can only be looked to from the employment of persons well trained and instructed in judicial knowledge and experience.

[And also subject to any local ordinances of this government made or to be made.]

The general measures of punishment of the English criminal code would of course be adopted, if not already in use, unless in cases where a special provision has been made for India; and in lieu of transportation, which is hardly applicable to many parts of the country without great inconvenience and expense, and which is often found either disproportionably heavy or nearly inoperative to its purpose, sentence of imprisonment might be passed for any time not exceeding the periods fixed for transportation, and with or without hard labour, in or out of doors, and personal chastisement, as might be deemed expedient.

Every criminal

But a precise charge in writing to be preferred by the accuser is

* Rejecting our technical distinction as to contracts under seal.

† Such as the mode of serving process in regard to women, and of examining them as witnesses.

‡ This was written before the recent extension of the right of serving on juries to the natives of Calcutta and the other presidencies.

§ But I write this under correction, for I am not entirely satisfied whether a British Magistrate in the Zillah courts might not advantageously be instructed to advise with a few well-informed natives on matters of fact in criminal cases. This would at least be a safe beginning for trial.

never to be omitted; and the substantial form of the English indictment (freed from its local peculiarities and technicality) has a pre-eminent merit of simplifying every charge, and rendering it single and distinct. As the law has been, and it may be still is, administered in the Mofussil courts, the charge is most general and multifarious, so that the accused cannot certainly know from thence what he is called upon to answer, and a man may be convicted of an offence quite different from what he supposed. This leads to excessive perjury and injustice. charge to be in writing, and precise.

The policy appears obvious, of weaving the British into the native laws in all general points not purely local, and of retaining the direction of the judicial administration in British hands, as much as is consistent with an economical, and, what is no less essential, with an expeditious decision of every matter, according to its frequency and its importance. Political judicial policy.

If further experience be wanted, and more caution necessary, let the experiment be gradually tried in small districts adjoining to Calcutta and the other capitals, where Supreme courts are or may be thought proper to be established, extending or contracting the system as it shall be found to answer beneficially in practice.

No. 4.

Second Part of the Reform of the Mofussil Courts.

The present mode of administering justice in the Mofussil courts seems objectionable on two accounts.

First, the language of the court is Persian, which is foreign at this day to every description of subjects in the empire, and is both impolitic in regard to the state, and inconvenient to the people. It was natural for the first Mussulman conquerors, whose language was Persian, to administer the laws in their own tongue to the conquered people; but by the same policy, if their conqueror and successor, the British government, do not adopt the native tongue, it should give the law in English. The Koran having been written in Arabic, the Mussulman expositors of the law would necessarily have preferred giving their opinions in that language, but they were constrained by our government to give them in Persian, so that the Persian was not agreeable to any party. Upon the whole, the adoption of the English language appears to be most expedient and politic; for the language of its native subjects is various in different parts of India, and the limit of each is not very strictly defined. All would as easily, or nearly so, addict themselves to learn English, and have stronger motives to do so than each other's dialects and languages. The revenue accounts, formerly kept in Persian, have, I understand, been directed to be kept and are now kept in English, for the sake of perspicuity. Language.

The Hindee, (or, as it is more commonly called, the Hindustanee,) of which however there are, as I am informed, very varying dialects, is in more general use than any other in the upper provinces, and amongst the Mussulman population of Bengal; but the Hindoos of Bengal, as well as the great population of southern Hindustan, know little or nothing of it. The common language of the former is Bengalee. Besides, the more it is desirable to impress the stamp of the

British character and empire upon the people, the more ought the study of the English language to be promoted. It will be the speediest and most effectual channel of conveying internal improvements. By making it the language in which the law speaks every day to the people, in all parts of the empire, numbers of the most active and intelligent of them must become familiar with it, as they are now compelled to be with Persian. It is more likely to promote justice than the use of the Persian; for the Judges at least will have a sure knowledge of their own proceedings. The facts will come to them directly from the suitors, through only one translation, for which numbers are already very sufficiently prepared; whereas, by the present mode, the suitor must first convey his claim or defence through the medium of a Persian translation, and then must take the risk of his Judges having so intimate a knowledge of that tongue as not to be likely to mistake either the documents or the oral pleadings. The use of two tongues only, the one of the suitors and witnesses, the other of the Judges and officers of the court, must, in the administration of justice, be safer, if not more expeditious, than each communicating with the other through the medium of a third language, foreign to both, but most of all to the unlearned suitors.

It will operate as a salutary check upon the Judge himself, to deliver his judgment, and assign his reasons, as every Judge should be bound to do in open court, in his own tongue, without any cover. This alteration will of itself be a great acquisition; but its benefits will be inestimably enhanced by its connection with another reform: that is—

English pleaders. The introduction of English pleaders into the Mofussil courts, I will not say in the place of, (the country may be safely left to judge between them,) but in addition to the native pleaders. That the native pleaders, with perhaps some rare exceptions,* do not afford any effectual assistance to the courts, experience has too plainly shewn: that they frequently embarrass their proceedings, I have been informed from the best authority. How can it be otherwise, when it is considered how deficiently they are educated in all the principles of real knowledge and judicial learning? The very Regulations† which the government, at the suggestion of the courts, has been obliged to make, to guard against their ignorance and corruption, sufficiently declare their general incapacity, proneness to extortion, and degraded condition. Contrast this with the enlightened education, the profound and various learning, both professional and general, the elevated talents and free services of the British bars. Consider the influence which a set of gentlemen, so educated, and disciplined to honour and justice, must have when dispersed throughout the country, engaging the confidence of the wealthy, vindicating the injured, and sharing the feelings and aiding by their counsel and eloquence in the lawful protection of all. Appreciate the accession of moral strength to the government from such an acquisition of British character, talents, and influence; and all this attainable with little, if any, additional expence to it.

* By some the exceptions are not thought so rare as by others, but the generality of the observation is admitted.

† See the Government Regulations towards the end of the Rules of Appeal, from 6 to 14 inclusive.

There are two modes by which this measure may be executed; one which I should prefer, because it would tend more speedily to correct the excessive evil of the present system, is immediately to open the bar of the Mofussil courts to such English barristers as the Company might think proper to appoint. The Company's government might, if it were thought advisable, allot a certain number of barristers to their several courts throughout the country, according to the exigency of the case; and in favour of their present servants in the judicial line, the local government might be restrained from the appointment of any of those barristers to judicial situations in the principal courts for a certain number of years, after which they should be eligible; yet I think that the immediate introduction of a few experienced and approved barristers into the judicial seats of the Zillah courts, where there is the greatest press of business, would be of public advantage.* Modes of introducing English pleaders.

The other mode is slower, but will come to the same result: it is to make a selection, on their arrival in India, of those young gentlemen sent out as Writers, who are intended to enter into the legal department; and to require them for a certain period (say three years) to attend as students the sittings of the Sudder dewanny and Nizamut adawlut at Calcutta, Madras, or Bombay, or other of the Mofussil courts in the neighbourhood, as well as of the respective Supreme courts†, while they are also acquiring the native languages in college; and at the end of that period to call some of them to the bar, and admit others as solicitors and attornies of the Mofussil courts; from the former of whom all vacancies in judicial seats throughout the provinces should in due time be filled, as opportunity offered, and according to the judgment of the Government, as it is now exercised, with the additional information afforded by this kind of public probation. Appointment of Mofussil barristers, solicitors, a attornies.

The most distinguished barristers and solicitors would, in the natural course of things, acquire the confidence of the natives throughout the Company's dominions; and thus, in no long time, bring a powerful acquisition of strength from public opinion to the government.

This change of system would require an additional number of Writers, and perhaps of persons advanced to the years of manhood, and in part qualified for their destination; but the great proportion of them would soon maintain themselves, and improve their fortunes, by their own talents and character; and a regulation might be made accordingly, upon a graduated scale of salary, to be reduced from year to year. Its operation, to postpone their advancement to judicial seats for three or five years longer than now takes place, will greatly benefit both themselves and the public.

The only remaining difficulty would be in respect of the present native practisers: these might still be retained till they dropped off. For some short time their utility in causes would be obvious, in the best of them, on account of their intimate knowledge of the language and habits of the suitors, and of the peculiar customs and laws of the provinces; others of them might be appointed to inferior situations about the courts; and moderate pensions, under special circumstances, would compensate all other reasonable claims, if any, upon the Government. Occasion of jealousy in future, if such should be found to arise, Native practiser

* See the last part of these papers.

† If it be desired, the Supreme court here will immediately prepare a place for the students to attend in court.

would be done away by admitting native candidates also to the bar, and to act as solicitors, who chose to educate themselves for such functions, as before, with the acquirement of English in addition to or in place of Persian.

No salaries to barristers and solicitors, as such.

The Company would not, of course, allow any salaries to their Writers who became practising Barristers or Solicitors, as such, at least not after the first or second year of their practice, which would have a good effect in two ways; the one, in relieving the Company from the salaries of those Writers who entered the judicial line; the other, in emulating the candidates for present emolument and future preferment to honourable and useful exertions for acquiring the proper knowledge and displaying the talents of their vocation. And thus the Government itself will obtain unbought experience of those who are fit for the several judicial employments when they become vacant; for the choice of whom at present it is obliged to grope in the dark, or is fettered by some blind rule of rotation or seniority, quite inapplicable, and dreadfully hazardous to the exercise of judicial functions.

Future benefits from change of system.

I look to a future and more extended benefit to arise in both these respects from the change of system. One principal cause of the expense, uncertainty, and delay of the present course arises from the too early employment in judicial offices of very young and inexperienced men, who, having never studied law upon any system, must necessarily bé unacquainted for the most part with its principles and practice, and, as matters are now contrived, have very little opportunity of profiting by the example of others who have not long preceded them in the same helpless condition. There is little or no continuity of knowledge and experience in the present system. The young Judge must set off with a small stock in hand; and he leaves no ear-witnessing successor to the hard-earned experience which he afterwards acquires. This begets the necessity, and has enforced the providing of checks upon checks, not only to correct the final errors, but even to guide the interlocutory proceedings, of such magistrates. Hence the cumbrous machinery, box within box, appeal upon appeal, which overloads the judicial proceedings of the Mofussil courts, and leads to insufferable vexation and delay, with proportionable expense. There is seldom any tolerable certainty even when a cause is to be heard; and the parties are accustomed to retain agents at monthly salaries to give information of it.

Barrister-judges and magistrates;

and attornies.

But when Barristers of a certain standing and experience shall be appointed in the first instance to act as Judges and Magistrates of Zillah courts, or within certain districts, having the cognizance of all but capital and state offences, (which should be reserved for the Judges of the superior courts sitting in bank or on circuit,) and also of civil causes to a moderate amount, without appeal (except as after mentioned), more especially when two, four, or more Attornies (according to the magnitude and population of the principal towns and neighbouring districts) shall be appointed to act before those Barrister-Judges and Magistrates, to whom the clients may have recourse, if they please, for advice and assistance, there will be no necessity for the perpetual checks and superintendence which are now exercised; the superior courts and Judges will be relieved from much of the burthen which at present overwhelms them, and the expense of the whole establishment will probably be reduced.

Barrister-judges and magistrates.

It should be made a condition of being called to the bar of the supe-

rior Mofussil courts, that the Barrister should be liable to be appointed to act as a Judge and Magistrate for a certain period of each year in a Zillah court or district within the range of his attendance on the particular court or courts where he is permitted to practise; and as there would be no civil appeal from his judgments in matters of fact, there would be no clashing of interests. If it should be found necessary that the superior courts should continue sitting as they now do, with very short vacations, this duty must be borne in rotation. Reasonable vacations tend rather to promote than to impede the just dispatch of business, by giving fresh zest to those employed, and due time for preparation.

Consulting the genius of this people, raising a due respect and feeling for the occasion in all present, I should recommend that every Barrister-Judge and Magistrate, when acting in his own court, as well as in the superior court, should wear a plain black robe, and that the superior Judges should have their proper robes of office. That each of these, on his entrance into office, should be sworn to his allegiance and duty in open court.

The Barrister-Judge and Magistrate should be permitted to receive certain reasonable fees of court (of which public notice should be hung up in a conspicuous place in his court) for all business done by him as a Judge and Magistrate, leaving his bar fees as counsel in the superior court to be purely honorary. This, with his practice as a Barrister in the superior court or courts of his district, would probably compensate his services as Judge and Magistrate; or if that were doubtful at first, a moderate additional and temporary salary from the public during his magisterial sessions, to make up the deficiency, if any, according to the present establishment, would suffice, with the expectation of future preferment.

Attornies.

The Attornies permitted to practise in the same district court would naturally obtain and would principally look for their emolument to the legal business of the district, in proportion to their character and talents. They would always remain responsible for their good conduct under the superintendence and controul of the superior court. In addition, they would attend on the Barristers' court, and might each in his turn, month by month, register and attest its proceedings; and each should be entitled to moderate fees for his trouble, besides a small salary from the public purse during such registering, by way of retainer. Each of these officers would be a check upon the conduct of the other, to prevent abuse. They may be eligible to the higher judicial situations, as a reward of superior talent and merit.

The assistance of these Attornies in preparing the cases which come for trial before the circuit courts or superior tribunals would be invaluable to those courts, by methodizing and expediting the pleadings and evidence, and bringing them to so many distinct issues, elucidated as they would be by the final assistance of the attendant Barristers, which would save an infinity of time and labour, now lost to the superior Judges, in developing undigested masses of paper with which they are now overwhelmed, or in the mere drudgery of inferior clerks. This would prevent that accumulation of arrears which no human exertions of industry and talent can now keep down.

Pundit, moolvy, interpreter, peons, &c.

Besides an interpreter, Pundit, Moolvy, and an establishment of peons to attend and execute the orders of the Barrister-Judge and

Magistrate in court, the head man of every village in the district (and more in the greater villages and towns) should be sworn in as officers to assist process and preserve the peace, with a certain badge of office, conferring honour in the eyes of the people. If it be thought necessary or expedient that the Barrister-Judge and Magistrate should be duly qualified in the languages of the country to act without an interpreter, the latter would be saved; but this saving will delay the period of relief in this mode, and may even prevent, at times, the acquisition of Barristers of a higher degree of talent and experience, a few of whom would be invaluable, as models for the rest. At least the office might be temporary.

Village police and civil jurisdiction.

Under the superintendence, and in some degree (better explained in the third part of this paper) under the appellate summary jurisdiction of such a well-informed Judge and Magistrate as I have described, the village jurisdictions,* both of police and of arbitration in village concerns, may, if they ever existed here, be most beneficially revived or brought into activity throughout the provinces. If they never existed, the sub-native Commissioner in each village will perform the same function, with or without other native aid, as may be found expedient.

Police barrister and collector.

In matters of mere police, the Collector of the district might exercise co-equal jurisdiction with the Barrister-Judge and Magistrate. But if, as I have heard suggested by a very able member of government, the Collector's duties had best be restricted to matters of revenue, some other British officer should be associated for this purpose with the Barrister-Magistrate, particularly in the large districts, for in populous districts the police should never be at a stand for a day.

Revenue.

In matters of revenue, the Barrister-Judge and Magistrate and Collector should have joint jurisdiction,† to be exercised in a summary manner upon complaint by the party grieved, except where the title to land of a certain amount is in question, which should be referred to the superior court, and have precedence of trial there to all other matters. I am, however, much inclined to think that it would be advantageous to have a separate superior court for the sole determination of all high matters of revenue.

Separate administration of justice for revenue causes recommended

Appeal re-hearing.

Though I would allow no appeal from the judgment of the Barrister-Judge and Magistrate on matters of fact within the scope and limit of his jurisdiction, unless upon motion made before him in open court within one month after he himself saw reasonable ground to doubt his first conclusion, and to direct a re-hearing; yet if the party grieved were dissatisfied with his judgment in point of law, either as to the improper admission or rejection of evidence, or as to his conclusion of law upon the whole matter, and having taken the objection as to the matter of evidence in open court at the time it was so received or rejected, upon the statement of such objection in writing, either upon the point of evidence or of an erroneous conclusion, signed by any attorney of the court, or by the party grieved, within one week after final judgment pronounced, the Barrister-Judge and Magistrate shall be bound to transmit such objection to the court of circuit, or superior court of his district, together with his notes of

* It is doubted by some if they ever existed in Bengal.

† Something like this exists already, which if found to answer had better be preserved. The Collector communicates with the Judge.

the evidence, on which the objection arises; and the Judges of circuit or superior court should, on consideration of the same, certify their opinion in writing under their hands, to the Barrister-Judge and Magistrate, who, having given notice of the same in one open court, should read his own statement of the case, and the certified opinion of the superior Judge in another open court, in one week from such notice, or sooner, if both parties be in attendance, and should conform his judgment to the directions contained in such certificate.

[To be explained by the interpreter of the court in the native tongue, if not spoken by himself.]

Necessity of a change of system.

With the most anxious desire to promote public economy, care must be taken that the end is not sacrificed or hazarded for the means. I have a strong belief, and I hope the truth may not be learnt in a more unpleasant manner, that the present system cannot long go on. An additional number of well-instructed and efficient British Judges and Magistrates are much wanted in many of the populous towns and districts of India, both for civil and criminal jurisdiction. Moorshedabad and its district have, I am told, a population nearly equal to Calcutta, and most probably contain above half a million of persons, and yet there is but one Magistrate and his Assistant to render justice on the spot to this immense multitude.

Village jurisdictions retaining the rule under British magistrates.

The revival or appointment of any village police, village court, or commissioner of arbitration, will prove of inestimable utility, if placed under the controul of a local British Magistracy, but without that controul innumerable evils will speedily grow up. The body of the people will cease to look to British protection, and the reins of empire will be loosened. The measure here suggested is calculated to give a class of judges and magistrates to the people, which by rendering prompt and sagacious judgment to them, will give new lustre and security to the British rule, with the least, if any, additional burthen to the state.

Extension of system to meet the occasion.

Whenever it distinctly appeared that the number of causes could not be kept down in a district by one Barrister-Judge and Magistrate, another should be added to the establishment, either temporarily or permanently, as the necessity of the case appeared to require, who should share in the court fees: and thus the system would preserve its own balance. If Barristers and Attornies were permitted to practise in the superior courts, the government would always be able to lay its hands upon able and approved men for this service whenever they wanted; but without knowledge and numbers there must ever be a moral and physical impossibility of rendering justice to the people under any system of law, a duty of every government co-ordinate with the defence of its people from foreign and domestic enemies.

Knowledge and numbers requisite under any system.

Sheriff.

Finally, I beg leave to suggest that it would be a great improvement of the judicial system in this country if a certain officer, analogous to our Sheriff in England and in Calcutta, were appointed within each Zillah for the execution of the decrees of the Zillah courts, as well as of all superior courts. Much of the precious time of the Mofussil Judges is now, I understand, wasted, and their proceedings much embarrassed, by the inferior ministerial occupations properly belonging to this officer. He should execute and return all process of appearance, &c., and of execution, at his peril, and receive a poundage upon the levy.

The office might be executed by one of the Attornies of the superior court of the district, if such should be allowed, or by a Barrister.

No. 5.

THIRD PART of the REFORM of the CIVIL PRACTICE in the MOFUSSIL COURTS, &c.

THE mode in which the Barrister-Judge and Magistrate should proceed in his Court * may be to this effect on the civil side.

The basis laid in optional arbitration.

The Hindoos being peculiarly desirous of arbitration,† (which is noticed in Sullivan's Tracts and other works, and is confirmed by my own experience,) his jurisdiction should be bottomed in that mode of proceeding.

Time of sitting.

He should sit not less than three times every week in his civil court, and every day, if required by the superior court of the district, during his magisterial rotation. On such sitting days the other assistant officer of the district, as before described, should exercise the police functions, in which he should at all times have co-ordinate authority with the Barrister-Judge and Magistrate, and which the latter would also exercise on other days or occasions than when employed in his civil capacity.

Proceeding by petition in writing and summons in civil cases.

Process, &c.

The Barrister-Judge and Magistrate, on complaint in writing made in the form of a petition, unshackled by any technical rules, should have power to summon any person residing within his district. He should have power also to appoint sub-commissioners, natives, for distant villages within his district, (or if the village police and court of arbitration be revived, the village arbitrators should be *ex officio* his sub-commissioners,) for aiding the parties or the peons of his establishment in serving process and subpœnas; or, in cases of necessity, for taking depositions, after notice to both parties to attend, and for executing judgment.

Village arbitrators or other civil sub-commissioners in each village.

If the village court of arbitration be revived, the complainant should have the option of applying for redress to that village court wherein the defendant was resident, which should proceed thereupon;‡ or otherwise to the civil sub-commissioner in each village; unless, upon sufficient cause shewn by petition to the Barrister-Judge and Magistrate's court, without wilful delay, and before judgment, he should direct the removal of the cause before himself. But no cause should be removed from the village court or civil sub-commissioner after judgment, without plain and manifest injustice shewn in abuse of power and public trust, and this without delay.

Complaint before barrister-magistrate.

The complainant should appear before the Barrister-Judge and Magistrate, or give a satisfactory reason to him by a known agent why he could not appear in person; which agent, if accepted by the court, should have power to bind him in all respects; but the Barrister-Judge and Magistrate should at any time have power to stay or dismiss the complaint, if the plaintiff himself, when required, does not attend to answer.

in writing.

and ore tenus;

The plaintiff or his agent should deliver in a short statement in writing of the cause of complaint, and should also submit himself to the examination of the Barrister-Judge and Magistrate, *ore tenus*,

* This would be in the Zillah court as now established.

† This arose at first probably from their distrust of the Mussulman courts, and fear of being plundered.

‡ *Quere.*—Might not the present Aumeens and Munsiffs be advantageously employed in this manner, as referees of facts?

on oath, in open court, as to the true grounds of his complaint; in order that the Barrister-Judge and Magistrate may ascertain the accuracy of the written statement, and the probable grounds of it, taking a minute of the examination, to be preserved. and examination.

Fees of court. When the nature and amount of the complaint shall have been thus understood and recognized, the complainant shall pay to the Barrister-Judge and Magistrate a certain small per-centage * upon such amount, before any further proceedings are had, if such present payment be not dispensed with by the Barrister-Judge and Magistrate, for special cause assigned by him in writing on the said petition, and declaratory of his future purpose, if any, in that respect. Where the dispute concerns land, a different though still moderate rate should be paid, according to the computation and practice of the Mofussil courts on other similar occasions, so that the same should not exceed ....; and another rate should also be settled where the complaint is founded in tort and damages, which latter perhaps may be left to the assessment of the plaintiff himself, in restraint of his own damages; and if they be substantiated, the defendant may be made to contribute something more, or a certain portion may be retained out of the plaintiff's damages.† The requiring something reasonable to be paid by the complainant in the first instance is of great use in repressing frivolous and vexatious complaints, without impeding the course of justice.

Revenue. It will be for the government to consider whether any and what revenue shall be collected from legal proceedings, and in what mode; but it seems reasonable at least that the suitors should contribute to the just expences of the judicial establishment formed for their benefit.

It might be useful to have a certain officer, such as the sworn interpreter of the court, if any, or the Registrar, according to the present constitution of the Zillah court, one well versed in the native tongue, who for a small fee (say one rupee) would draw out petitions, if the complainant did not procure his own to be drawn up by any other.

Petitions to be entered in a book. Upon the presentment of every petition, the cause should be entered in a book, to be kept in open court, in the order of time in which it was presented, and refer to the like number indorsed on the petition, which is to be preserved; for this a small fee should be paid to the person making the entry. Every case should be called on in the order in which it is set down, unless upon cause shewn in open court the Barrister-Judge and Magistrate thinks proper to postpone or accelerate the hearing of any particular petition.

If the Barrister-Judge and Magistrate, after reading the petition and examining the complainant *ore tenus* to any points which might seem material to him, saw reasonable ground for granting a summons against the defendant, it would be granted accordingly; and if the matter of complaint were fairly only doubtful, he should be required and commanded so to do. If the complaint were rejected, he should *instanter* return half the deposit money to the complainant, to whom On rejection, half the deposit to be returned. Rejected

* This might be computed and accounted for better at the time of entering the complaint.

† *Vide* the Regulations of the Court of Commissioners for Small Debts in Calcutta upon this point, and the practical utility of it in the annual return of their proceedings.

petition, &c. may be referred back to barrister-magistrate.

it should be competent to demand back his petition, or a copy of it, and to receive with it a copy of the notes of his examination, taken by the Barrister-Judge and Magistrate, (for which one rupee should be paid by him to the copying clerk, unless the Barrister-Judge and Magistrate shall order more to be paid on account of extraordinary length,) for the purpose of presenting the same to the superior or circuit court of the district, in order that such court may, if it think fit, direct the Barrister-Judge and Magistrate to receive and proceed upon such petition.

Summons fee.

Upon the granting of any summons, a certain small fee, in proportion to the distance at which the summons is to be served, should be settled and indorsed upon the summons by the Barrister-Judge and Magistrate, not exceeding .... per coss, for the benefit of the officer serving the same; and the summons, made returnable within a week or fortnight, or more, according to distance and other circumstances of mutual accommodation, should be served by a peon of the court, if near, or, if at a distance, by a sub-commissioner of the village district, as the Judge and Magistrate should order.

Service.

Process to compel appearance.

If the defendant did not appear to the summons, nor authenticate before the Barrister-Judge and Magistrate any satisfactory reason why he did not, a capias should issue, as it might do in the first instance, on special cause shewn to the satisfaction of the Barrister-Judge and Magistrate, and his order thereon; and if the party absconded, or resisted the process, so that he could not be taken at the return-day, an alias capias should issue, which should be proclaimed in the town or village at or nearest to his usual or last known residence; and if he still absconded or resisted, his real and personal property should be seized and kept in pledge to answer the plaintiff's demand (all prior liens on it being preferred); which demand or claim the Barrister-Judge and Magistrate should then proceed to examine *ex parte*, admitting the defendant nevertheless to come in pending the inquiry, on giving bail or security; and if the demand were found to be just, he should award execution or damages, payable out of the security given or property so seized, as far as it extended to cover the debt or damages; restoring the overplus, if any, to the party or his representatives, when demanded in open court; and if it were not sufficient, then proceeding against the bail, if any, and keeping the judgment in force against the debtor's person or other property till the whole demand should be satisfied.

Or examination ex parte.

Judgment and execution.

Proceeding on appearance.

If the defendant appeared, he should be examined *ore tenus*, on oath, by the Barrister-Judge and Magistrate, as to the subject matter of the complaint, except so far that he should not be bound to criminate himself penally by his answer; and the full substance of his answers relative to the questions put should be taken down by the Judge and Magistrate, as should also his refusal to answer any certain question as it might tend to criminate himself, so that the Judge and Magistrate might exactly understand what were the points of difference between the litigant parties: and having ascertained those points to the best of his judgment, he should *instanter*, in the presence of the parties, write them down, and read them over to the parties,* desiring to know from them whether he understood the points of difference

Pleading ore tenus to issue.

* Something like this took place in the early part of our legal history; viz. the Year Books.

correctly as they severally meant to represent them, and whether there was any other matter of difference between them than those noted down; and should conclude his written statement of the issues accordingly, or correct it, until it appeared to be complete.

It should next be inquired of the parties, whether it was their mutual desire to refer such points of difference, if of fact, to arbitration, or to the ordinary courts of justice in court. If to arbitration, then whether they could agree upon some one arbitrator, of their own choosing (for more than one private arbitrator should never be accepted if possible to be avoided); if so, then the Judge and Magistrate should refer such points of difference so written down to the arbitrator agreed on, who should make his award thereon in writing within such time as should be originally allowed, or subsequently extended by the Judge and Magistrate, *toties quoties*, unless sufficient cause were shewn against it by either of the parties; and the award, when made, should be returned to the Barrister-Judge and Magistrate; and unless sufficient ground were laid before him, within one month at most, for impeaching its justice, on the ground of corruption or wilful misconduct of the arbitrator, or plain and manifest mistake apparent upon the face of the award itself, either in conclusion of law or fact, such award should be conclusive between the parties, and should be preserved in the registry of the court.

Question of reference to arbitration.

To arbitrator of the parties' choice.

Time given and extended.

Return of award made to the court, and registered.

Grounds and time for impeaching it.

If the reference failed, from the defect of the award itself, or from the death of the arbitrator, or his neglect or refusal to proceed, before its conclusion, or the like, another reference should be made by the Barrister-Judge and Magistrate, on application of either party, and so *toties quoties*, unless the Judge should see cause to order otherwise.

On failure of reference, another, &c.

If the difference between the parties were only on matter of law, or in part on matter of law, reserved at first, or appearing in conclusion, then the Barrister-Judge and Magistrate should himself decide the point, and award accordingly, or correct the award made by another, in respect of any erroneous legal conclusion appearing upon the face of it.* And if his decision were objected to by a note in writing delivered into court within three days, the Judge and Magistrate should, at the expence of the party objecting, state such point and objection to the Judges of circuit or superior court, who should with due expedition return their answer, if of English law, upon their own judgment simply; if of Hindoo or Mussulman law, then upon their judgment formed after advising (if the point be not sufficiently plain) with the Pundit or Moolvy respectively of their court; and upon such answer received the Barrister-Judge and Magistrate should declare the same in open court on a given day, after prior notice in court for that purpose, to enable the parties or their agents to attend.

Issue of law.

If the litigant parties should not agree upon an arbitrator of their own, the Barrister-Judge and Magistrate should refer the matters in issue (to the village court of arbitration, if that be revived, or otherwise) to his sub-commissioner in the village district where the dispute had arisen; or if he were objected to, for special and just reason

When parties cannot agree on an arbitrator, reference to village court or sub-commissioner, or trial before barrister-judge and magistrate.

* To preserve the uniformity of the law, and secure to the subject his right, liable to no man's caprice, questions of law should always be drawn to the decision of the court. And where to save expense no regular appeal is allowed, this summary mode of obtaining experienced advice will be found to answer the general object.

assigned, then to the adjoining village court or sub-commissioner; or if any village court or arbitrator were objected to for just cause assigned, and if both parties required that the trial should be had before the Barrister-Judge and Magistrate, or they cannot both agree by whom else it shall be tried, just cause having been shewn by one of them in open court why it should not be tried by any village arbitrator or court at or near the place where the dispute arises, then, upon the payment or approved security given by each party (if both agree) of (say from 3 to 5 per cent.) upon the amount of the property, debt, or damage in dispute, or upon the payment or approved security given of (say 5 per cent.) upon the same by the complainant,* the whole or any part of which may be afterwards adjudged to be repaid by the defendant in the costs, should the plaintiff succeed, and the court so think fit, which sum should be received by the Barrister-Judge and Magistrate as a fee of court, the trial should be had before himself in the ordinary course, provided the value or damages in dispute should not exceed (say 8,000 rupees). The costs should be in his discretion.

Court fees, where trial before barrister-judge and magistrate.

Jurisdiction in ordinary of 8,000 rupees. Costs.

Jurisdiction of superior courts beyond 8,000 rupees.

But if the value or damages in dispute should exceed (say 8,000 rupees), then, unless all the parties concerned should agree upon the nomination of an arbitrator, who should accept the reference, or unless the complainant should desire leave to withdraw his complaint, the Barrister-Judge and Magistrate should certify the petition, with all his notes in writing relative to the same, to the superior court, as the foundation of process to be afterwards issued on the complaint there of the party, according to the forms of proceeding in such court, there to be dealt with according to law and right.

Proceedings below to be sent to superior courts.

The best course of proceeding in the superior courts has been humbly submitted to consideration in the two former parts of these suggestions, particularly in the first.

Die Jovis, 11° *Martii* 1830.

The Lord President in the Chair.

11 Mar. 1830.

Sir Ralph Rice.

Sir RALPH RICE is called in, and examined as follows:—

1369. What situation have you filled in India?—I was seven years Recorder of the Prince of Wales' Island, in the Straits of Malacca, which is a King's court; and I was three years a Puisne Judge of the King's Supreme court at Bombay.

1370. Which in the first instance?—I was seven years Recorder of Prince of Wales' Island in the first instance.

1371. Have the goodness to describe the nature of the jurisdiction of the court over which you presided as Recorder of

* The per centage on a trial before the Barrister-Judge himself ought to be more than before an ordinary arbitrator; the more so, as it will be by the choice of the parties, for superior talent, integrity, and dispatch.

Prince of Wales' Island?—I believe it is similar to the jurisdiction of the court of King's Bench, court of Chancery, the court of Exchequer, and the ecclesiastical courts in this country.

1372. It comprises all the jurisdiction of all those courts?—Yes, it does; the same as those at Calcutta, at Madras, and Bombay; I believe with very slight variation, if any.

1373. What was the extent of the jurisdiction exercised by that court?—It was over the island and the opposite shore, which was then annexed to the island; and I should remark, there has been an alteration in the court of Prince of Wales' Island; and in consequence of Malacca and Sincapore being joined to Prince of Wales' Island, the jurisdiction of the court has been co-extensive with that of the Government.

1374. Can you state at all, generally, what the amount of the population was, or is now, which falls under the jurisdiction of the court?—The population of the island, while I was Recorder, was considered to be from fifty to sixty thousand; it continued to increase rather while I was there.

1375. What proportion of that was European?—The Europeans residing there were very few; I think very seldom, independent of the military, above one hundred; I mean with regard to the Europeans residing. One of the difficulties arising out of that jurisdiction was not from the resident Europeans, but in consequence of numerous ships which came there; so that the number of Europeans resident would be no criterion of the duty attached to the jurisdiction.

1376. What description of natives generally, as to religion and country, lived under the jurisdiction of the court?—I do not believe there is in any part of India or the world so mixed a population.

1377. Of what religions generally?—Of all religions, I think, which there are in India.

1378. Did no one prevail in proportion to the rest?—I think that the most valuable part of our population were the Chinese, both as merchants, artisans, and labourers.

1379. Of the remainder, can you state in what degree the Mohamedan or the Hindoo religion prevailed?—The Mohamedan were a numerous class of the Malays, which were rather a distinct population: they were generally labourers in the smaller departments of the country, such as fishermen and fruit-gatherers, and fruit-planters; and in the other smaller departments there were a number of Arab merchants, who were also settled there, and carried on a considerable trade to different parts, both to the Persian gulf, and also on the coast of Sumatra, and also in the eastern seas. There were also a race, generally known by the name of Chulieis, who were a fluctuating body, who came generally at one period of the year, some remaining,

11 Mar. 1830. — *Sir Ralph Rice.* and some going back at the end of the year to the coast of Malabar, and also to the coast of Coromandel; they were known in the island of Penang, as what are called the Chuliah people. The Hindoos, who were not numerous, principally, I think, consisted of those who had established themselves after the expiration of the period of transportation, or their descendants; for Penang was the place to which the courts of India transported their felons, and persons whom they had the power to transport, in the same way, or nearly so, as in this country they are transported to New Holland. The number of convicts was generally from 1,500 to 2,000 in the island. There was also a regiment of sepoys there, many of whom were Hindoos.

1380. Did the court administer the law in every respect to the whole of this population; or was any part of the law, with respect to succession and contract, excluded?—The jurisdiction of the court there was co-extensive with that of the Government; differing in that respect from the other presidencies of India.

1381. And comprising every species of interest?—Every species of interest that is almost possible to be conceived.

1382. As it respected the officers, what was the constitution of the court?—The Governor and the two Members in Council were united with the Recorder.

1383. What was the nature and character of the practitioners before the court?—There were no Barristers at all; and only some persons who were not regular attorneys who were admitted to practise there.

1384. Were those persons Europeans or natives, or both?—In one instance a person was an European, and another called in that country half-caste, or half-blood—an European father and a native woman. The property in litigation was in general very small, though very often the question was of a complicated nature.

1385. Did you find that the different classes of native population acquiesced, without complaint, in the principle and decision of the court, founded, as this has been, upon those of the English law?—They were not founded upon the principles of English law, because by the clause in the charter we were bound to administer the law to every part of that mixed population according to their respective laws and customs.

1386. You conceived yourselves then under the necessity of making yourselves acquainted with any branch of the eastern law as it applied to the particular persons whose causes were under consideration?—We were bound to do it in what I call the civil law, that is, the dispute between man and man. With regard to the criminal law, there is something a little more extensive than in our charter. We were to respect the customs of the natives in the criminal law, but not to be altogether governed by that law.

1387. What means had the court recourse to for the purpose of making itself acquainted with the principles of the various systems of law which it was called upon to administer?—With regard to the Chinese law, we looked to those books we had access to, and we called in the principal, the head men among the Chinese, to assist us; with regard to the Mohamedans, we always had the advantage of the Koran, and different interpretations upon it, and had there many persons conversant with the law, Cazies, among their sacred priests, to assist us.

1388. Do you conceive that, upon the whole, the judgments so given were thought satisfactory by the parties whose interests they affected?—Having been in that situation where I was left by the practice of the court to administer the law conclusively, perhaps it would be very difficult for me to say whether they produced satisfaction; but if I might judge from the mode in which I was treated when I left, after I had been there some years, I am bound to say so.

1389. No complaints, then, were made on the part of the natives with respect to any supposed mistakes in decisions?—No; it appeared to me quite the reverse. But, as I said before, it is very difficult for me to say, and I might very likely be deceived.

1390. Were considerable questions of property decided by the court under these circumstances?—No, I think not. There were some questions of considerable property; but, generally speaking, they were for very small sums. The important part of the business, and which I considered the most heavy upon the Judge, was the criminal part, where the executions of criminals were exceedingly numerous, arising out of the very singular nature of the population.

1391. State what those particular circumstances of the population were that gave rise to that necessary frequency of capital punishments?—I think principally arising from the mixed nature of the population, and the very uncivilised state in which the opposite coast was.

1392. What description of the natives, subject to the jurisdiction of the court, most frequently rendered themselves subject to these punishments?—I think Malays. During the seven years I was there, in that population there were six executions. During the time I was in Bombay, where the population was 150,000 at least, there was only one execution during three years, and that was of an English serjeant. It was for that reason I mention that I consider the number of executions large.

1393. Were the Chinese, as compared with other descriptions of inhabitants, more or less criminal offenders?—I think in thefts they were quite as numerous as other classes, but not, I think, in offences arising out of acts of violence.

11 Mar. 1830.

Sir Ralph Rice.

1394. Can you state the average duration, or nearly the average duration, of suits in the court during the time you resided in it? —I think it would be almost impossible to draw any average of the duration of suits; they were generally, and almost always, settled almost every term, which is four times a year.

1395. So that no great arrear existed?—There was never any arrear, unless it arose from the parties not being prepared to go on; never from want of time.

1396. Can you state the sort of expence attending suits in the court?—The fees of the court are established; they are now in print, and were, I believe, reckoned generally small, but I think quite equal to the nature of the suits out of which they originated.

1397. Does it occur to you that any amelioration could be effected, either in the constitution of the court, or the system of law which the court is directed to administer?—I think it would be very difficult; there must necessarily be in that jurisdiction a considerable degree left to the discretion of the person who is to administer the laws.

1398. Have you any personal knowledge of Sincapore?—I was there at its original establishment, and very shortly before I left for England; but probably, not being there officially, I am not able to speak upon it.

1399. At what period were you Recorder of Prince of Wales' Island?—I went in 1817, and left it in 1824.

1400. What is the date of the Charter?—I think it was in 1807. Sir Edmund Stanley was the first Recorder: my immediate predecessor was Sir George Cooper. The government was established in 1805 as a presidency. They found they had no jurisdiction; they were inundated with felons; and they were obliged to get a court established, after very great difficulties attending the previous state.

1401. What was the amount of the native population of the island previously?—Very small. I understood there were not more than three or four hundred persons on the island in 1780. When Mr. Light first established it there were very few; I have always understood that there was a very small population at that period. It was attached to the Quedah territory.

1402. Is the Chinese a resident or a fluctuating population? —They reside in general for a great many years, but some of them come and return; they go backwards and forwards. Their inclination is always to return to their own country. They generally send their children, when they can afford it, to be educated there.

1403. Is Prince of Wales' Island now considered as a place of transportation?—It is for the felons from Bengal, Madras, and Bombay; both from the King's courts and Circuit courts.

1404. What is the number of transports generally?—I think their numbers were generally from 1,500 to 2000. 11 Mar. 1830.

Sir Ralph Rice.

1405. What proportion did they bear to the rest of the population?—The population fluctuated from fifty to sixty thousand during the time I was there.

1406. Do you conceive the use of that settlement, as a place of transportation, is an impediment to its improvement in other respects as a place of commerce?—No, I do not indeed; I think when they are under good management, as they generally are, they were beneficial to the island.

1407. In what were they employed?—In the making of roads; in the assisting making public buildings; and those of the best character were allotted out as the under servants of different establishments, for which certain sums of money were paid to the Company.

1408. Has the number of them increased?—I think while I was there, from the returns made to me, it was generally kept about the same; from 1,500 to 2,000. Application was made to the Government, in my time, to allow a certain number of convicts to be attached to the establishment. They used to be in the first instance without payment, but latterly there was a payment made to Government. I had ten. There was some which were paid for, and some which were not, latterly.

1409. Has the Governor there any power of permitting them to return on good behaviour. They of course might and did return when the period of their transportation expired?—No, I believe none; and I am not aware that there was any communication ever took place between the Government of Penang and the other Governments with regard to any returns.

1410. Do you think it desirable there should exist such a power on the part of the supreme authority of the island?—I cannot anticipate any objection to it; but it would require a knowledge from whence they came, and how they were connected with the decoits, and what sort of persons they were; for though they might behave very well at Penang, they might be decoits, or might have been connected with the polygars, and might return to their old habits if they returned to their own country. The polygars were sent back while I was there, having been there a considerable number of years. They were political offenders.

1411. You stated, that you were bound to administer the law to the different classes of the population according to the principles of their own laws; did that apply to all the fluctuating part of the population, the Chinese and others living there?—Yes, it did. Whenever I found two Chinese differed, and wished to have any thing decided according to their own law, and I could not learn it from my previous practice, I called in the heads of their own tribes to assist me in endeavouring to

11 Mar. 1830. 1431. The Barristers, of course, were Europeans?—They were.

Sir Ralph Rice.

1432. What were the Attornies?—The Attornies were also Europeans, I believe, without exception; indeed I am sure there were no others when I was there.

1433. Were there not native agents employed by the Attornies in carrying on the suits?—There were, as interpreters, and assisting them in the office; but I am not aware that there was any which the court recognized.

1434. Was it to the same extent that you may have understood that the custom of employing native assistants to Attornies existed at Bombay as at Calcutta?—I never knew that there were any recognized by the court. That there are natives who are attached to the office, who mix more with the natives, and bring clients to the Attorney's office, I believe to be the case, perhaps in Madras as well as Calcutta; but there are no persons recognized by the court at all, and therefore it is a matter more of report than of knowledge. Many gentlemen who came out as attornies to Bombay or Calcutta are totally unacquainted with the language; they have native assistants in their offices, and they, in proportion to their means of mixing among the natives, bring clients to the offices. I speak as to this more from report than from actual knowledge.

1435. What was the jurisdiction of the court at Bombay?—It was confined generally to the presidency itself, to the island of Bombay; it extended also to all the Europeans in the other parts of the presidency or the government.

1436. Did you administer both the criminal and the civil law?—Yes; and there was also an Admiralty jurisdiction; but the Admiralty jurisdiction was exercised by the Chief Justice.

1437. Was the criminal law administered as the criminal law of England?—Exactly, according to form and substance. I should say according to the law of England when the first charter was originally granted to Calcutta, and not the law of England as it has been since varied and modified by subsequent Acts of Parliament. Such Acts do not extend to India, unless India be specifically mentioned.

1438. You do not consider, then, that any alteration whatever in the law of England at home can affect the administration of the law in India, unless specially provided?—No; that has been so considered.

1439. With respect to the civil law, on what principle was that administered?—The same as the English law; but no alterations have taken place which have taken place in the civil law in this country, unless as altered by Act of Parliament, or by Rules and Regulations which they have the power of making in that country, subject to their approval in this.

1440. Is the civil law applied to the interests of the natives, without any exception as to the law of succession and contract? —By the charter, the natives of Bombay, the Mohamedans and Hindoos, are entitled to have all their questions of civil right tried by their respective law. With regard to the Portuguese who are there, they have the law administered, where it differs, according to civil law, which is commonly called the civil law which existed under the Portuguese government; but I never knew a case to occur in my time as to the Portuguese.

11 Mar. 1830.

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Sir Ralph Rice.

1441. When you state that the court administer the civil law of England, you mean in the cases of English European subjects only?—Quite so in that respect, according to the words of the charter. There has been a great difficulty with regard to the Parsees, who are a very opulent body of men there; but they having adopted, generally speaking, the laws of the Hindoos, they have been regulated, where there has been no custom to the contrary, by the laws of the Hindoos, and not by those of the Mohamedans.

1442. Next to the English law, the Hindoo law is the one you were most frequently called upon to administer at Bombay? —I think it has been by custom more than by the strict Hindoo law.

1443. Has the court at Bombay regular officers for the purpose of making itself acquainted with the principles of the native law it is called upon to administer, or does the court use its own discretion in collecting it?—They use their own discretion in collecting it. When they think they have not a sufficient knowledge of it of themselves, they call in the assistance of persons whom they think competent to give them opinions upon it, Moolvies and other people.

1444. In what language are the proceedings of the court carried on?—In English, with the assistance of interpreters with regard to evidence.

1445. Are there any other courts in Bombay besides the Supreme court?—Not in the presidency of Bombay; in the government, of course, there were a great many.

1446. Is the Supreme court a court of appeal from any other court?—No. There is a similar court of requests at Bombay to that I mentioned at Penang, established by the Governor, and the Rules and Regulations by the acquiescence and approbation of the Supreme court, passed by the government in Council, and from which there is no appeal to the Supreme court that I am aware of; I think I must have known of it if there had been.

1447. Is the trial by jury had recourse to at Bombay?—Yes, in criminal cases, but not in civil cases.

1448. In criminal cases, where natives are concerned as

11 Mar. 1830 — Sir Ralph Rice.

much as Europeans?—Yes. Perhaps I should say that there has been lately a Rule and Regulation (I do not know whether it has been approved by his Majesty in Council yet), to allow the Magistrate to punish natives for small offences, without the intervention of a jury. That was passed by the Governor, with the approbation of the majority of the court.

1449. Are natives admitted to serve on juries in such cases?—When I left Bombay the Act of this country had arrived, but not been put into execution; except with reference to a Portuguese gentleman, Sir Roger de Farian, who was a Christian, who had sat once on the grand jury.

1450. From your observation of the natives generally, are you of opinion they would be usefully employed in serving on juries?—I think that the answer to that is a subject of very considerable difficulty, and one of very great doubt.

1451. You have formed no decided opinion of your own upon the subject?—I think it is attended with great difficulty. Where there is no heat, and no interference with their peculiar habits, I think they would assist the Judge in the administration of justice, in collecting the evidence.

1452. Is there any particular description of natives whom you think more qualified for the exercise of those civil offices than others?—I think the Parsees would be more fit than any other. I think they are more free from what would be commonly called, perhaps, prejudices.

1453. Do you attribute that to the particular circumstances of their religious faith, or to that of their being the most opulent of the inhabitants?—Principally, I think, from their being the most opulent, the most enterprizing, and the most intelligent. With respect to the faith of the Parsees, it is very difficult for any one to know really what their faith is; and I have taken considerable pains on the subject.

1454. Have you observed the Parsees to be superior in general morality to the rest of the native population?—With regard to the morality of the natives, Europeans mix so little with them, it is a very difficult thing to say.

1455. As far as fell under your observation in the administration of criminal offences?—I really cannot say; but I have every reason to think, when I was at Bombay, there were as many perjuries committed by them, and as many pretences that other persons were committing perjuries against them, as by any other class.

1456. Were you ever at Ceylon?—Yes, I have been.

1457. Had the trial by jury been introduced at the time you were there?—Yes. I was there only on a visit, not officially; but I have had great communication with the Judges there.

1458. Had you an opportunity while at Ceylon of observing

or hearing the effect of the introduction of the trial by jury now?—I know that Sir Richard Ottley, who was one of the Judges while I was there, had a very high opinion of the juries at that time, which was in 1822 I think. 11 Mar. 1830. Sir Ralph Rice.

1459. How long had they been at that time introduced?—I think not a very long time. Sir Alexander Johnston had introduced them, and he had gone home. But I was there only a week, so that any information I can give must be very loose.

1460. Are you aware of any circumstances in the population of Ceylon more favourable to the practice of the trial by Jury there than at Bombay, or in other parts of India?—No; I am not at all sufficiently acquainted with the population at Ceylon; I am not aware of any.

1461. Have you visited other parts of India?—Yes; I have been in almost every part of India. I have been up to Delhi, to Hydrabad, Seringapatam, and Trichinopoly, and at Canton, but only as a traveller, as a visitor.

1462. Have you had any occasion to observe the degree of confidence which the natives in those parts of India you have visited place in the administration of the law?—I do not feel competent to answer that question: I have not sufficient knowledge of the language; and even if I had, in travelling through a country it was almost impossible to gain sufficient information to enable me to answer the question.

1463. Do you conceive that, upon the whole, the administration of the law in the English form is more conducive to the interests of the country than it would be if the proceedings were attempted to be carried on in any other language?—I think in Bombay, Madras, and Calcutta, where English is so much spoken, it would be a great pity to alter it, to introduce the Persian into either of the presidencies, and attended with no use at all, because by the interpretation we have the evidence from the natives in their own language, with the interpretation in English. Whether the Persian might be got rid of in the Mofussil courts, still retaining the evidence in the native languages of that mixed and extraordinary population, would be a question, perhaps, beyond my information.

1464. Are you acquainted with the Persian yourself?—No, I am not.

1465. Can you state the average duration of suits in the court at Bombay?—They were cleared off every term; we never had any arrear; we hardly could have, unless they were arrears arising from the absence of witnesses, or the absence of parties, or circumstances which occur in this country.

1466. Can you state the expence attending suits in Bombay?—It would be very difficult; it depended entirely on the nature of the suit.

11 Mar. 1830.
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Sir Ralph Rice.

1467. Does any material improvement occur to you as practicable in the constitution of the court at Bombay, as it now stands?—I think there are many things to be looked forward to that might be beneficial.

1468. Will you describe generally what, in your opinion, they are?—I think every thing should be done to prevent any collision between the courts within the presidency and the Company's courts without the presidency and within the government, where it is possible to be anticipated. The consequences of collisions I consider as exceedingly injurious to the population, both European and native.

1469. What is the nature of the court by which the law is administered within the government, but without the limits of the presidency?—I believe they are the same with regard to personal questions. Without the presidency, the Mohamedan law prevails almost all over India as to criminal cases; but I have understood that in the Mahratta countries the Mohamedan criminal law does not prevail, but, as far as they can ascertain it, the Hindoo criminal law. The government make rules and regulations altering the Hindoo and Mohamedan law without the presidency.

1470. Those courts are appointed by the Company in the same way with the courts in the other settlements?—Exactly.

1471. Is the Persian language in general understood by the Hindoos?—I believe very few, except the higher ones, understand it, and I am not sure very often that they do.

1472. Has the Persian language then, do you think, any advantage over the English language, as used in criminal courts, in which the Hindoos are chiefly interested?—I have understood it is only that the records are kept in the Persian language, and therefore it can have no advantage, it being to them a dead language.

1473. Are you of opinion that it would be an advantage to substitute the English for the Persian language in such cases? —No; I do not think it would be either an advantage or a disadvantage. It would make very little difference if our indictments in this country were now in Latin. I believe it is the better opinion that it would make little or no difference; they would be interpreted.

1474. Would it not have a tendency to familiarize the Hindoos with the English language?—That depends on such a very extensive view of India. There are many persons who contemplate making it the vernacular language; but it is such an extensive subject, I am afraid it would be difficult for any person to form a sound judgment upon it: it is all conjectural. It would be an avdantage, with our views of the world, that the

English should be the vernacular language of the whole of Hindoostan. 11 Mar. 1830.

Sir Ralph Rice.

1475. Would not such a change have a tendency to produce that effect without any injurious violence to the habits of the natives?—It might be one small step towards that, perhaps.

1476. What has occasioned the increase of expence in the judicial charges at Bombay since the year 1824?—I imagine the establishment of the Supreme court in lieu of the Recorder's court. In 1824 the Supreme court was established, and previous to that only one Judge instead of three. In 1824 and 1825 the Supreme court was established; previous to that there was only the Recorder.

1477. What is the population of the Guicowar territory?—That is a separate native government, and is all under the influence of the Bombay government. They are principally Hindoos; there are, I believe, a great many Parsees in parts of it. But I have never been in the Guicowar dominion.

1478. Is there any appeal from the Supreme court in Bombay to the King in Council?—Yes; which it appears to me should be very much facilitated by any regulations which can be made, if they can be made.

1479. How long has that existed?—Ever since the establishment of the Recorder's court; and from all the courts in India there has been an appeal to the King in Council.

1480. Do you think great value is set upon that right by the parties who litigate?—I think if they had not the right they would perhaps find fault; but having the right, it is not so often exercised as perhaps it would be if there were facilities granted.

1481. That right exists only in cases in which there is a certain amount of property in question?—Yes; I think 2,000 rupees; but I am not certain of the amount; I forget.

1482. You mentioned that in the Supreme court of Bombay there are about eight Barristers and eight or ten Attornies?—Yes.

1483. Have you found that about the fair proportion to the transaction of business?—Yes; I think fully adequate to it. They would have been fully adequate if they had been all residing.

1484. Did the Attornies bear a fair proportion to the Barristers?—Yes. I think if there had been more, there would not have been sufficient to support them.

1485. In the island of Ceylon, are the natives summoned on grand juries as well as on petit juries?—I do not know; but I believe not; I believe there is something in the nature of a public prosecutor under the name of Procurator Fiscal, who acts in the same manner as I believe the office of Lord Advocate is administered in Scotland; but I cannot speak to that point.

11 Mar. 1830.

Sir Ralph Rice.

1486. Are there no Hindoo or Mohamedan officers regularly attached to the court of Bombay?—No; except the interpreters.

The witness is directed to withdraw.

RICHARD CLARK, Esq. is called in, and examined as follows:—

R. Clark, Esq.

1487. WHAT situation do you hold?—I was in the civil service on the Madras establishment. I have resigned the service.

1488. What offices did you fill there?—In the latter part of my service I was a member of the Board of Revenue (I was Secretary before that), and Temul translator to the government, and, *ex-officio*, a member of the Board of Superintendence of the College; before that I was in the Sudder adawlut. I never had any service in the interior of the country; I was entirely at Madras.

1489. In the provinces under the presidency of Madras, at present, are the collection of the revenue and the administration of justice under the direction of the same person?—No; the departments are separate.

1490. The Civil Judge in the province and the Collector are separate?—Yes.

1491. Have they been always so?—They have been so since 1802.

1492. What advantages do you conceive arise from their separation?—The first great advantage is to render practicable the duties, which would be infinitely too laborious for any one man; another advantage must be, the more impartial administration of civil justice, because the collection of the revenue has a tendency to lead men to acts of controul over the property and rights of the people, which it is the business of the Judge independently to protect; and I may say, generally, the separation is productive of those benefits which must always result from an independent judicature.

1493. Are any and what judicial powers intrusted to the Collectors?—No judicial powers are intrusted to the Collectors, excepting that of deciding, in the first instance, certain cases regarding immediate occupancy of land, or claims to the right of irrigation. The produce of large tracts of land depending upon irrigation, and the right to receive water from the great reservoirs being a subject of frequent discussion and dispute among the inhabitants, by a late Regulation the Collector has been empowered to settle, in the first instance, summarily, questions arising upon those points.

1494. Are there any appeals from his judgment in those cases to the Judge?—Yes; and from the Judge to the Pro-

vincial court, and eventually to the Sudder adawlut. The Zillah courts are more numerous, and have a more limited jurisdiction than the Provincial courts. Over several Zillah courts one Provincial court exercises jurisdiction. There are four Provincial courts under the presidency of Madras.

1495. In what manner do the district Munsiffs discharge their duties principally?—I believe upon the whole very satisfactorily. There are village Munsiffs and district Munsiffs.

1496. Do they all discharge their duty satisfactorily?—The village Munsiff jurisdiction is to a small amount. Very little is known of what they do; for though they are required by the Regulations to make regular reports, there is no means of insuring their doing so. The great object of giving them power was to enable them to decide small disputes upon the spot; and the provisions requiring them to send in regular statements of the business they perform have not been very punctually carried into effect, consequently little is known of what quantity of work they do. But the district Munsiffs, who have a more extended jurisdiction, are known to get through a great deal of business. From their decisions an appeal lies to the Zillah courts; and the district Munsiffs being a superior order of men, many of whom are regularly trained to judicial inquiries, their reports are more faithful, and the business they transact is more regular. The proceedings in their court have been generally considered satisfactory.

1497. You believe that to be a very efficient institution?—I have no doubt of it. It is the extension of a system which has existed ever since the year 1802: there were native commissioners appointed, though with a less extensive jurisdiction, and not so defined in number.

1498. What are the salaries of the district Munsiffs?—I do not exactly recollect, but as far as I recollect about £8 a month; about twenty pagodas. They have also fees upon all cases which they decide upon the merits.

1499. Are you acquainted with the constitution of the police establishment?—Generally.

1500. In what manner are they appointed and removed, and remunerated?—The lowest police officer is the village watcher. There are several in a village who perform the lower offices. They are under the controul of the head of the village; the head of the village is under the controul of the Tehsildar, who is a local native collector of revenue; the Tehsildar is under the Magistrate, who is the collector. The village watchers are remunerated by a small quantity of grain from the produce of the village, and from certain fees from the inhabitants; and the head of the village has also similar allowances, to a greater extent. The Tehsildar is a stipendiary officer of the government, employed in the collection of the revenue. There are police

11 Mar. 1830.

R. Clark, Esq.

officers appointed to towns, called Aumeens of police, who have a jurisdiction also beyond those towns; and there are officers called Cutwals, a kind of high constables, resident chiefly in market towns. There are, in some districts, paid police; and there were formerly various classes of native peons, under different denominations, many of whom have of late years been dismissed as unnecessary.

1501. Are those persons adequately remunerated, in general?—They are remunerated, not expressly for police duties, but jointly for their duties in the revenue and the police department. Every police officer is a revenue officer.

1502. Is there no inconvenience found from uniting the two characters?—There is reason to apprehend that a great deal of inconvenience arises from it, especially as the Magistrate, who is the Collector, and has the entire superintendence of the police, and a certain extent of Criminal jurisdiction, has the sole controul over the police; while the Zillah Judge, who exercises the office, as it is termed, of Criminal Judge, and who has a superior power of punishing, and that of committing to trial before the Circuit court, is not permitted to exercise any controul over the police; the police are not responsible to him; nor do the acts of the police regularly or uniformly come under the revision of the Criminal courts, as they did before the separation of the offices of Judge and Magistrate. There is a general propensity in the natives to exercise severity towards each other; and there is reason to believe that those rules that have been made for the guidance of the lower police officers, especially those limiting the time that they are permitted to keep the prisoners before they are sent up to a court of criminal jurisdiction, are overlooked and neglected; and that prisoners are detained very much, according to the pleasure or convenience of police officers. These are the chief inconveniences I have been aware of. As far as I recollect, during the time I was in the Sudder adawlut, there were many cases in which the court found incidentally that such abuses of authority did take place.

1503. Abuses from the union of those two characters have been frequently found to exist?—Yes.

1504. Of course it is very desirable to remedy them?—Certainly.

1505. Do you apprehend there would be any great advantage obtained by an alteration in the nature of the police?—Not in the nature of it so much as in the controul of it; if it were made more responsible to the judicial department.

1506. Are you not of opinion that a smaller police, better paid, and not locally connected with the villages, would be advantageous?—That would be very doubtful; because all knowledge and discovery of offence must be made through the village

officers; so that an independent police must resort for its information to the village officers. 11 Mar. 1830.

R. Clark, Esq.

1507. In your experience of the Sudder adawlut, did you find the gentlemen appointed to those courts sufficiently qualified in law and judicial practice for the situations?—In many instances certainly not, referring to the courts generally.

1508. Are the Judges of the Zillah and Provincial courts qualified, by a proper study of the Mohamedan and Hindoo law, for the performance of their duties?—There are very few Judges, either of the Provincial or of the Zillah court, who have been enabled to qualify themselves well in the knowledge of either of the laws of the country, because the study of those laws requires the knowledge of languages very difficult of acquisition, and not in use except for the objects of study: not in use colloquially. When a gentleman first enters the civil service, he studies in the college those languages which are now colloquial, and which will enable him to communicate immediately with the natives; but those are not the languages in which he would be enabled to study the laws of the country; and the time of those gentlemen is generally so fully occupied in the discharge of the duties of their situations, which are ordinarily very onerous, that they have very little time to give to abstract study. In cases turning on points of Mohamedan and Hindoo law, the Judges avail themselves of the assistance of native lawyers of each class, who are appointed both to the Zillah and Provincial courts, and to the Sudder adawlut; and, as directed by the Regulations, the Judges refer to those officers for their opinions on the points submitted to them for that purpose. The Judges also take such means as are in their power to verify those opinions; and much assistance has been afforded in this respect, of late, by the publication, in English, of translations of some of the works on the Hindoo law of the greatest authority, to which reference can be safely had.

1509. Are you of opinion that a more decided separation of the judicial from the other branch of the service would tend to the advancement of better men to high judicial situations?—I think it would.

1510. Are you of opinion that any advantage would be obtained by an institution of native juries in criminal cases, empowered to declare their opinion as to matters of fact?—I think the employment of natives to be present during the investigation of a criminal case, and to give their opinion upon the evidence, would be advantageous; but I do not think that their decision could be received and implicitly followed as the verdict of a jury in Great Britain is.

1511. In what cases does the Supreme court administer justice according to the Mohamedan and Hindoo law?—In all cases of inheritance, adoption, and contract, I believe. In all

11 Mar. 1830.

R. Clark, Esq.

cases in which the rights of the parties require that the decision should be governed by a special law, obligatory upon those parties.

1512. In what position are the half-castes considered to stand in the eye of the law?—All persons living within the local jurisdiction of the Supreme court are amenable to that court; beyond the local limit of the Supreme court, the half-castes in common with all other natives of India, and also with European foreigners, not British subjects, are amenable to the local courts.

1513. You were in the Revenue Board for some time?—For a short time.

1514. Can you inform the Committee of the manner in which the settlements of land are made?—An alteration had taken place in the settlements, beginning about the year 1814; a gradual introduction of a different system had taken place, which was still in progress when I quitted India. Some of the districts have been permanently settled, those especially to the northward of Madras, called the Northern Circars; others had been experimentally leased out for ten years, and on the expiration of those leases a different system, namely, that of settling with each individual for his own land, was introduced; it is called the ryotwar system.

1515. Did that experiment succeed, as far as you understood?—I had hardly an opportunity, from my short experience in the revenue department, of forming an opinion that would be of any value to the Committee.

1516. The former mode of settlement was a village settlement?—In some instances; in other instances the districts were divided into tracts called mootahs, of which the revenues were sold to certain natives, who collected the revenues from the several payers, having a profit themselves upon the totals so collected.

1517. What control had the Board of Revenue over those?—The controul of the Board extended only to the realization of the revenues. The native collectors were amenable for their acts to the Zillah court, and for any abuse of power.

1518. You are aware of a power of appeal from the Sudder adawlut to the King in Council?—Yes.

1519. What advantages do you suppose to arise from that, if any?—The appeals which have come home for a great many years past remain undecided, undoubtedly from the ignorance of the parties how to proceed, which has prevented their doing more than they have done.

1520. Consequently little or no benefit has been derived?—No benefit, but very great inconvenience; inasmuch as many

parties have made deposits which they cannot get released, even where they have compromised their suits.

1521. Do you conceive any advantage would be derived from the continuance of that right of appeal?—I think many advantages might be anticipated, if the appeal were rendered efficient.

1522. Can you state any particular case in which such inconvenience has arisen?—There are four cases in which the parties have compromised their suits in India; they have sent home notice of their compromise through the same channel by which they forwarded their appeals; in one case the total amount litigated is held in deposit, and in the others the sum deposited for fees, which amounts to about a thousand pounds, is held in deposit. The restoration of the deposits was refused to the parties in India, because the courts there had no knowledge of what was done by the court appealed to in England with regard to the suits.

1523. Have the agents for those parties made any application to the Privy Council on the subject of those appeals?—The parties have not appointed agents; it is not likely that they should do so.

1524. Are the parties to whom the communications have been made agents?—No. Under the Regulations established in India, when a party desires to appeal from the decree of the Sudder adawlut, he prefers his petition of appeal within six months after the decree has passed; and upon making certain deposits to answer the eventual costs of the appeal, and paying the expence of stamp paper, upon which two copies of his appeal are prepared, the court of Sudder adawlut cause two copies of all the papers, including the evidence of witnesses and the proceedings of the courts, to be prepared on stamp paper, and transmit those two copies to the Secretary to Government in the Judicial department, for the purpose of being transmitted to England, to be laid before his Majesty in Council. The Indian governments forward the packets to the Court of Directors, by whom they are sent to the Privy Council office, or to the Secretary of State. The parties in India, who are most of them persons resident in the interior, unconnected with English proceedings, and knowing little of England, but always accustomed to abide by the directions of their local rulers, conform as far as they are enabled to the regulation of the government; and, having done so, they conclude that when the documents under the seal of the court are transmitted through the Indian government to England, the Court of his Majesty in Council will take the case into consideration, and return a decision thereon. Such expectation is in conformity with the practice that obtained, as regards Madras, up to the year 1818; before which time an appeal was admitted from the decisions of

11 Mar. 1830.

R. Clark, Esq.

the Madras Sudder adawlut to the Governor-general in Council at Calcutta. When the documents were so sent to Calcutta, a decree was returned, confirming or reversing that of the Sudder adawlut at Madras, without any thing being required to be done by the party. In like manner, the suitors unconnected entirely with England or English proceedings, are fully in expectation that the official transmission of their papers will lead to the decision of their case in England, and in that expectation they patiently wait.

1525. What is the date of the appeals to which you refer?—Upon an application made by the Court of Directors for permission to bring forward these cases on behalf of the suitors, the whole of the cases were sent to the India-House from the Privy Council office, for the purpose of being examined, and a report drawn up; and I was employed in preparing an abstract, stating the cause of action, the names of the parties, the amount sued for, and so on; and this list was submitted to the Company's law officers, and has been forwarded to the Board of Controul, for the purpose of being laid before the Privy Council. The papers are now in the custody of the Company's law officers. The earliest appeal from Bengal was on a decision that passed in the year 1799. There are twenty-one appeals from Bengal, ten from Madras, and seventeen from Bombay. Those from Madras and Bombay cannot be earlier than 1818, because it was in that year that the appeal was declared by the Regulations to be open to the King in Council. It was known before to European officers that the appeal to the King was a matter of right in the subject: this was not known by the natives.

1526. Is there a decision in any one of those?—There was a decision two years ago on a case of very considerable importance, in the Madras territories; the succession to the zemindarry of Ramnad. The appeal was decided *ex-parte*; and the appellant failing to make out his case, the decree of the Sudder adawlut was confirmed.

1527. Was the appellant a native?—He was.

1528. Who employed counsel?—An agent who was connected with a gentleman at Madras was employed in the case. It appeared to be by chance that the party became aware that he could take steps to forward the proceeding.

1529. Do you know what the expences of an appeal are, previously to the employing of an agent; the expence of the stamps and costs of the copies you referred to?—They vary according to the length of the appeal, in which there is a very great variety. I think, in one case, the stamps amounted to one thousand rupees.

1530. What proportion does that bear to the total expence of costs?—That expense is the same, whatever the nature or amount of the appeal.

11 Mar. 1830.

R. Clark, Esq.

1531. Can you state the expense of getting an appeal to this country, previously to its being heard?—There is a fee, called the institution fee, which was formerly paid; it has now been commuted for a stamp duty. This fee was charged on filing any petition of appeal. The institution fee on a case of fifty thousand rupees, which is the smallest amount appealable from Bengal, would be about eight hundred rupees. The stamp duty for which that institution fee has been commuted, in a case from fifty to an hundred thousand rupees, would be one thousand rupees; above an hundred thousand, it would be two thousand rupees. This is besides the stamps on which the papers are copied.

1532. Can you state the largest amount of deposit?—At Madras the deposit for fees for eventual costs in England is eight thousand seven hundred and fifty Madras rupees, which is calculated to be equal to one thousand pounds. In Bengal, I think they take security for five thousand rupees. In Bombay it does not appear clearly what sum is fixed; general undertaking is given by sureties to be answerable for the costs of the appeal in England.

1533. Do you happen to know whether all those packages of papers containing the appeals have been forwarded to the Privy Council, or whether they have remained at the India-House?—I believe that all of the appeals received were forwarded; some have arrived since the transfer to the India-House, and they remain in the care of the Company's law officers.

1534. Is there any notice given to the parties in such cases?—No; there is no communication with the parties but through the Sudder adawlût, and I believe there has not been any communication with the Sudder adawlut from England, for the information of the parties: none was received while I was in the Sudder adawlut at Madras.

1535. What becomes of the money that is deposited in the meanwhile?—It remains in the hands of the Registrar of the Sudder adawlut, who pays the accruing interest upon it to the parties making the deposit.

1536. Does he give any security for the sums lodged in his hands?—No; the Registrar of the Sudder adawlut gives no security.

1537. Has he the use of the money during the time the appeal is pending, only paying interest for it?—No, he cannot use it; it is in the custody of the court.

1538. Is it invested in Company's paper?—It is only at Madras that the deposit is usually made in money or Company's paper: in Bengal security bonds are generally given. In a great case appealed from Bombay, regarding the succession to the estate of the minister of the late Peishwa, I believe a deposit of 10,000 rupees has been made by the parties. That is the only

11 Mar. 1830. instance in which I have known of a deposit of available money having been made at Bombay.

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R. Clark, Esq.

1539. Do you know why twice the security is required at Madras that is at Bengal, and in a more inconvenient mode?—The fixing the sum has been entirely in the discretion of the court; but the court have little means of knowing what would be the expenses attendant on a suit in England, but they have fixed a sum, which, according to the best information they were able to obtain, seemed likely to cover any expense that would be incurred. I have stated that it is 5,000 sicca rupees in Bengal, which would be equal to about £600: at Madras it has been taken at £1000.

1540. Is the amount of the sum that entitles the parties to appeal to the King in Council the same in each presidency?—An appeal may be preferred from any final decision of the courts at either of the presidencies of Madras or Bombay for any amount; but the appeal from Bengal is limited to £5,000. Of seventeen appeals from Bombay not more than three or four are of an amount that would have authorized an appeal from Bengal.

1541. Previous to 1818, were appeals frequent to the Governor in Council in Bengal?—I believe there were not many appeals, but I do not know the number. The Sudder adawlut in Madras was only established in 1802.

1542. Were the people of the country dissatisfied with that mode of appealing?—Not at all.

1543. Can you state the grounds on which the mode of appeal was altered from the Governor-general in Council to the Privy Council in England?—It was from the recognition that the Governor-general had no power to decide appeals in the last resort. An appeal from the decision of the Sudder adawlut seemed of right to lie to the King in Council. A question on this subject was referred to the Advocates-general of the three presidencies, who were of opinion that the appeal would lie of right to the King in Council from Madras and Bombay, from any final decision, for any amount. I believe the reference arose on a case of some magnitude, which had been appealed to the Governor-general in Council; and the result was that his Lordship in Council declared that the appeal was no longer to be made to him, and directed the Madras government to publish a Regulation, declaratory that appeals would in future be transmitted to the King in Council.

1544. That was not arising from a feeling that the Company was frequently a party to those cases?—Not in the least.

1545. The appeal given in 1818 appears to be entirely nugatory?—As well as the right of appeal from Bengal, though limited to cases of a certain amount.

11 Mar. 1830.

R. Clark, Esq.

1546. Have there not been appeals in which the Company has been a party?—There is one now depending, in which the Bengal government are a party, in conformity with the provisions of the judicial Regulations, which require that in certain cases the government should themselves be defendants. There are other appeals, involving matters in which the local government or their officers have taken a considerable share; for example, the case of the Ramnad zemindarry, to which I have before referred, came necessarily before the Madras government for orders in the first instance.

1547. Would there be any mode of apprising the parties of the necessity of appointing agents for the prosecution of those appeals?—It might be done through the court of Sudder adawlut, who would send the communication to the parties; but when the parties should receive that communication it would be very difficult for them to conform to it, from their want of knowledge of English proceedings, and of connection with this country. It would be necessary for them, probably, to resort for assistance to the Attornies of the Supreme courts at the Indian presidencies, which would be a grievous evil.

1548. In what manner do you conceive the parties can repossess themselves of money they have deposited?—Only by a decision or order of the Privy Council.

1549. In what manner do you conceive the natives are less fitted to discharge the full duties of jurors than Englishmen?—They are so liable to be biassed both by hope and fear; the obligation of an oath lies so light upon them; and it would be so difficult to discover the existence of indirect and improper influence over them, or to controul it, that little reliance could be placed on a decision, if it was given (in the present state of their morals and feelings) under an impression that it would be final and decisive.

1550. Do you know whether they are anxious themselves to possess that right?—I believe not.

1551. You speak only with reference to Madras?—Only with reference to the Madras territories.

1552. Did you ever hear a suggestion of suppressing the Zillah courts altogether, by extending the authority of Provincial courts, and making the appeal direct from them to the Government in Council?—No.

1553. You were never in any other part of India but Madras?—No; except on a journey of pleasure; never officially.

1554. You have stated in the course of your evidence that the natives were inclined to inflict severe punishments; do you attribute that to a general severity in their disposition, or to the circumstance of their being connected by family or personal interest with or against the parties?—To a general tendency

11 Mar. 1830. — *R. Clark, Esq.*

that the natives, when in power, have to exercise oppression over each other.

1555. Possibly, also, by reference to the barbarous punishment inflicted by the Mohamedan law?—Undoubtedly from the habits acquired, especially by native officers, under the Mohamedan government, and also under the Hindoo governments, which we have not been able yet fully to suppress. The natives have every reason to know that the British government discountenance, and are anxious to check every such abuse; but the habit has been so inveterate, and our controul so limited, in reference to the number of persons whom we can place in controul over them, that those habits have not yet been suppressed.

The witness is directed to withdraw.

Ordered, That this Committee be adjourned till To-morrow, one o'clock.

Die Veneris, 12° *Martii* 1830.

The Lord President in the Chair.

JOHN COTTON, Esq. is called in, and examined as follows:

12 Mar. 1830. — *J. Cotton, Esq.*

1556. What has been your situation?—My situation has been always in the revenue line; I was for six years Collector of Tinnevelly, and subsequently seven years Collector, and principal Collector, of Tanjore.

1557. Can you state the different modes of revenue settlement in the presidency of Madras?—They are village and ryotwar settlements, and some zemindarry.

1558. Tinnevelly was a village settlement, was it not?—Yes; and so was Tanjore.

1559. Are you acquainted with the ryotwar settlements?—No; I have never been in a district where they prevailed.

1560. You do not know the advantages or disadvantages of that mode of settlement?—No.

1561. In what manner did you make the village settlement? —By assembling a deputation from each village, examining the accounts of previous years, and forming an average of produce, and commuting the government share of that by an average price into a money settlement.

1562. You had no survey or valuation?—No; no survey or valuation.

1563. If any body was dissatisfied with his settlement, what was the remedy?—He did not sign the agreement of rent; of course he had the option.

12 Mar. 1830. — J. Cotton, Esq.

1564. If any persons felt aggrieved with the settlement, had they any mode of arranging otherwise?—They merely declined signing the arrangements of rent, and had a share in the division of the produce, their villages being continued under what we term aumanie management, which is a superintendence by government servants of the cultivation and produce.

1565. In case of a complaint of over-assessment, was it rectified?—It was rectified; in fact it was quite optional with the people to agree or not.

1566. For what term of years was the settlement made in Tinnevelly?—The last settlement was for ten years. I did not make any settlement in Tinnevelly; I found a ten years' settlement there.

1567. Had that been the usual course?—No; previous to that there was a three years' settlement, and before that annual.

1568. In Tanjore, was it a three years' settlement?—It was first annual for two or three years, and then triennial; afterwards there were two settlements of five years each, and then again annual for two years.

1569. Was there any difference in the mode of settlement between Tanjore and other places?—Not in these settlements. The last was a settlement peculiar to Tanjore, formed about four years before I quitted the district. It was on an assumed standard produce, taken from the produce account of former years; and in consequence of the great diminution in the price of grain, a revision was made of that, and a standard price was assumed from the average prices of the three or four years preceding the settlement. Thus a standard produce and a standard price being fixed, a division was calculated of the produce between the inhabitants and the government, according to the established rates; and the government share of the produce being then commuted into money at the standard price, the settlement in money was formed. The price of grain in each year was then to be compared with the standard price. When it fell below five per cent. a deduction was to be allowed, and when it rose above ten per cent. an addition was made to the settlements.

1570. Did the revenue increase or diminish under your new settlement?—It increased; from an increase of cultivation, and an increase in the assumed standard produce.

1571. The revenue of Tanjore increased considerably from the increase of cultivation?—The standard land revenue is much about the same, but from other branches of the revenue it has considerably increased.

1572. Have the charges of collection increased?—No.

1573. What proportion did the charges of collection bear to the gross collection?—Between four and a quarter and four and

12 Mar. 1830. — J. Cotton, Esq.

a half per cent. (including the native revenue establishment only); that is, taking an average of the last six years.

1574. Tanjore is full of manufacturing population, is it not? —There are some manufactures, but not to any great extent, both of silk and cotton, but they are chiefly for the consumption of the district.

1575. Had the importation of cotton manufactures of England had any operation upon that part of the country?—I cannot say that it had.

1576. The property is very much divided in that district, is it not?—It is very much of the same nature as that in Malabar; a proprietary right vested in the inhabitants.

1577. Is there much trade?—There is a considerable export and import trade by sea there.

1578. To what places chiefly?—To Bengal and to the eastward; to Acheen.

1579. From what port?—From Nagoa and Negapatam.

1580. What are the chief exports?—Cloths, from that and the neighbouring districts.

1581. That trade continues, does it?—It has fallen off very much; I have known of persons going to the eastward with a cargo, and not being able to meet with a demand for their goods at prime cost, in consequence of the supply of British goods.

1582. In that manner the supply of English cloths has interfered with their trade?—Yes.

1583. The manufacturers have of course felt that?—Of course they have.

1584. What is the population of Tinnevelly?—I cannot charge my memory with that.

1585. What is that of Tanjore?—It is about a million, including the rajah's villages.

1586. What is the average proportion of the share the government derived from the village assessments?—Fifty per cent.

1587. Had you any thing to do with the settlement of the Polygars?—No; a settlement was made with them previous to my going into the district of Tinnevelly.

The witness is directed to withdraw.

THOMAS CAMPBELL ROBERTSON, Esq. is called in, and examined as follows:—

T. C. Robertson, Esq.

1588. What situation did you hold in India?—I was First Assistant in the Judicial department in the division of Dacca from the year 1810 to the middle of 1812; after that I was in the same department in the division of Patna until the end of

12 Mar. 1830.

T. C. Robertson, Esq.

1816 or the beginning of 1817, during which period I was Judge and Magistrate of the city of Patna for one year, the year 1816. After that period I was Judge and Magistrate of the district of Cawnpoor till September 1823. Shortly after that, I proceeded to Calcutta on leave of absence, when I was appointed Commissioner in Chittagong, where I remained, and at Arracan and Ava, until April 1826. After my return to Calcutta, I was employed for a few months in revising some trials on capital cases that had been sent down for the revision of government by the Commissioners in the new territories on the Nerbudder. That was the end of my service in India.

1589. You had no share in the collection of the revenue?—For a very short time in the year 1814, in the district of Ramghur, I had charge of a very small collection of about a lac of rupees from the wild hill provinces contiguous to the province of Bahar.

1590. Were you well acquainted with the police in those districts?—Yes.

1591. Was the police sufficient in the lower provinces?—It had many defects; but it has been, I have reason to think, very greatly improved since the period when I was there. It is near eighteen years since I was employed in the judicial department in the lower provinces. That was in 1812.

1592. At that time it was hardly enough under the controul of the judicial authorities, was it?—At that period the authority of the original landholders had been considerably weakened by the effects of the system introduced by Lord Cornwallis in 1793; by the effect of the sale of lands, and the introduction of strangers into the possession of lands. The new system, which might be regarded as an artificial one, perhaps had not attained sufficient consistency to be so efficient as I have reason to believe that it has since proved.

1593. That deficiency was from the want of influence in the persons holding the land as zemindars, was it not?—No; I do not think it was so much the want of influence as the want of will. There was a reluctance on their part to co-operate with the police; and a great number of them were non-residents, new men who had acquired the land by purchase.

1594. What was the state of the settlement at Cawnpoor?—The assessment, I think, could not be described as severe, at the same time it was certainly high; but in its introduction it had been attended with many abuses, which have since been corrected by the appointment of a special commission, which arrived in 1821 in Cawnpoor and Allahabad.

1595. You are acquainted with the existence of those abuses, are you not?—Perfectly.

1596. Can you state to what extent they were carried?—I

12 Mar. 1830. — T. C. Robertson, Esq.

should say that very nearly two-thirds of the district had, in the course of the first ten years from the time of our acquisition of those provinces, passed from the legal owners into the hands of men connected with the Revenue department in the Collector's office.

1597. They were sold for non-payment?—Partly so. I can detail in a few words the whole process of the fraud. The Regulations were suddenly introduced with all their forms, and perhaps at that time none but the men immediately about the public offices were at all acquainted with their provisions, and none certainly of the people in the interior could have the slightest conception of that precision which those forms required and exacted of them. For instance, no man could suppose that for non-payment on a certain day, or the nonfulfilment of some condition in a printed law, his estate should go from him. The books that were at that time made out in the office of the Revenue department contained two columns, one headed *Malik*, an Arabic word meaning proprietor; the other *Mustajir*, an Arabic word meaning farmer. The village landholders received their pottahs or leases for three years, frequently without paying any attention to the value by which they were designated, because it appeared to them quite immaterial, they regarding the word lease as only meaning that they should hold their land at that specific rent for the period therein stated. Others again did receive their pottahs under the name of owner or proprietor; but they were both nearly equally exposed to the frauds that were afterwards practised upon them. At the next settlement, at the expiration of three years, the native collector or Tehsildar reported to his European superior that the person with whom the first settlement had been made was only a farmer, and that that would be found to be the case by reference to the Persian books which he had in his office. In too many instances this report was acted upon at once, and the person then recommended by the Tehsildar as being the real proprietor (who was always a man with a Mohamedan name) was immediately recorded as proprietor in the Collector's books, and received a lease for the next three years. This person was almost invariably a relation of the Tehsildar; very often, however, he was a mere nonentity—a man of straw, no such person existing; and in every instance the Tehsildar himself took immediate possession of the lands, whatever the name was that might have been recorded. Succeeding so well in the second triennial settlement, upon the third settlement it was carried to a greater extent. The same species of fraud was repeated, with the addition of fraudulent sales; sales for alleged arrears which really were not due, which the Tehsildar had himself collected, and which he falsely reported to be due. In those sales the purchases were effected by some person, a servant of the Tehsildar, sometimes in the servant's own name, and sometimes

in a mere imaginary fictitious name. With a view of enabling the Tehsildar himself to take possession of the lands, they then executed a number of deeds of sale. The persons recorded in the first instance, in whose favour that fraud was originally perpetrated, executed a deed of sale to another, and he to a third person, till at last the Tehsildar resigned his office, and took possession of the lands in his own name.

1598. Could this have happened without the connivance or neglect of the Collector?—I am afraid it could not have happened without some degree of neglect; but it is at the same time to be observed, that, at that early period, the people were probably reluctant to approach the European officer, whose character his native subordinates designedly represented to them in the most terrifying and repulsive colours.

1599. What measures were taken to remedy this, when discovered?—The evil stopped in 1813, when Mr. Newnham was appointed Collector of the district. He did all that was in his power to redress the parties that had been injured; but his superiors in the Board of Commissioners of those provinces did not conceive themselves warranted in ejecting any man who was in possession, and the parties ejected fraudulently in the previous years were all referred to the civil courts for redress. The Board of Commissioners in 1813 considered themselves incompetent to eject any men whom they found in possession; and so, without entering into the merits of their tenure, concluded the next settlement with them.

1600. Did those cases come before you in your judicial capacity?—They did, afterwards.

1601. Were you authorized to do justice?—In the beginning of 1817 I arrived in Cawnpoor. I think one of the very first cases I had before me, as civil Judge, was a suit on the part of a Zemindar against a Tehsildar, or rather a man who had been formerly a Tehsildar. The case appeared to me perfectly simple, and, on investigating it, I decided in favour of the plaintiff. My attention was attracted at the time by perceiving the sensation the decision made in the court; and this led me to inquire farther, and I found that there were a great many similar cases which had been instituted previously in the court, in consequence of the parties aggrieved having been referred to a judicial authority for redress. Most of the plaintiffs had been nonsuited, on what appeared to me to be very insufficient grounds, *viz.* that all the relations had not prosecuted; whereas the ramifications of a Hindoo family are so numerous, that it is perfectly impossible that all the relations could prosecute on any one case of the kind. Shortly after, I had occasion to make a tour of my district for police arrangements, and I gathered a great deal of information on that tour from the original Zemindars themselves; and on returning to the station I de-

12 Mar. 1830.

T. C. Robertson, Esq.

voted as much time as I could spare from other avocations to the trial of all suits of that nature that I found on the file. The decisions which I passed in favour of the original Zemindars were almost all reversed immediately by the Court of Appeal at Bareilly. The unsuccessful suitors then applied to the Sudder in Calcutta, by special appeal; and some of them, I think, travelled twice up and down all the way to Calcutta and back again, in hopes of obtaining a revision. As it appeared to me that there was little hope of their obtaining adequate redress in the judicial department, I, in the year 1818, first of all reported a case to government directly. In that year no notice was taken of that report, so well as I remember; but the evil still going on, I, in the year 1820, again reported it to government, when it was taken into serious consideration, and the Regulation of 1821 was in consequence passed, and a special commission appointed to investigate into those grievances.

1602. Was the report made by you directly to government?—Yes. I accompanied my report with translations of the decisions which had been passed in the cases; I selected three or four, as best shewing the extent and nature of the evil which existed.

1603. Did you say the Sudder at Calcutta did not decide upon the appeal of the Bareilly court?—They did not in the first instance. They were special appeals, which the Sudder were not bound to receive without some special ground alleged for their reception; and in the first cases that went down the special appeals were all rejected. Some appeals were afterwards admitted.

1604. Subsequently a commission was appointed?—Yes, in 1821. At that very time there were several cases pending in the Sudder court, which probably would have been redressed there, but they were removed to the commission. The proceedings were taken from the Sudder court, and sent to the commission.

1605. You were not in the commission?—No, I was not.

1606. Who was at the head of the commission?—Mr. Wilberforce Bird; Mr. Hugh Christian was the other member. I believe there was afterwards a third, but that was after I left Cawnpoor.

1607. Do you know whether those oppressions and frauds you have stated have been suppressed, since the commision has been appointed?—I have every reason to believe that the most perfect redress has been given; but as I have not been there since, and left that part of the country while the commission was still sitting, I cannot speak from my own knowledge.

1608. How long had they been sitting when you left?—I left in September 1823.

1609. They had been sitting more than a year when you left?—Yes.

1610. There was also a Sudder special commission in Calcutta, was there not?—Yes; to which appeals could be presented from the Mofussil commission.

1611. Do you know what distance tbose persons have to travel from Cawnpoor to Calcutta?—About six hundred miles; and many of them, to my knowledge, went down twice.

1612. What were the grounds on which the decisions were reversed at Bareilly?—It would be difficult to state the grounds. Where the fraud had been practised by means of public sale for alleged arrears, the only ground for reversing the decisions that I can remember was that nothing could reverse a sale; that it was an irreversible measure; that the government's faith was pledged for it, and therefore it could not be reversed; that there were certain provisions in the Revenue Regulations whereby at the time of the sale the parties aggrieved by it might have obtained redress in that department, and consequently that after the lapse of years they could not be permitted to question the sale by means of a suit in court.

1613. What was the reason that the appeals were rejected at Calcutta?—As not affording any sufficient ground for a special appeal. There was at that time a particular Regulation in force as to special appeals, specifying the circumstances under which such appeals could be received. They could not be received on the general merits of the case. It was required that there should be an allegation of some legal flaw or omission in the first decision, and not merely a statement of the grounds upon which it was considered to be unjust.

1614. Some of the appeals sent to Calcutta, you state, were rejected, and some afterwards entertained?—Yes.

1615. Was that in consequence of some new Regulation made on the subject?—I rather think that the first report I sent to Calcutta to government was by government sent to the Sudder, and I am inclined to think the appeals were afterwards received, in consequence in some degree of that report; but I cannot speak positively. I remember, however, that in one or two cases the Board of Commissioners in the upper provinces directed the Superintendent of Lawsuits in Calcutta to present petitions on the part of government to the Sudder court, praying that the decisions passed by the Court of Appeal at Bareilly might be revised. These applications were, I believe, in two or three instances successful.

1616. What was the result of those appeals that were entertained and inquired into?—I remember one decision being passed in favour of the original Zemindar; I cannot remember more. There was not time for much more, because the special commission was appointed so soon after that the cases pending

12 Mar. 1830.

T. C. Robertson, Esq.

before the Sudder were removed to the jurisdiction of the special commission.

1617. If they had decided in that way, what reason would there have been for supposing these could not be redressed in the common courts of law?—Those decisions were after my special report to government, and the redress thus afforded would have been too tardy for so extensive an injury, inflicted on the people by the officers of government in the most simple and summary manner.

1618. What was the expence the parties might have been put to who went through the several courts, and appealed at last to Calcutta?—They might probably bear a proportion to the law expences in other parts of the world; I think they have been calculated at thirteen per cent. upon the whole property litigated.

1619. Did they appear by themselves or their agents?—They could appear by their agents, but in general they preferred going down themselves.

1620. Was not the expence of that great?—The expence was not so great an inconvenience as the absence from home. The expence might have been considerable, but the natives travel very cheap.

1621. What is the expence of a common suit in a civil case brought before the civil Judge in the district, and decided by him?—The exact rate per cent. I cannot precisely state from memory; but I think about thirteen per cent. has been the calculated average rate of expence; but I cannot from memory state it at this moment.

1622. Does that include the expence of the agents; the Vackeels and persons he employs?—Every expence of both parties is included.

1623. You spoke of the police in the lower provinces where you were; what is the latest period to which you can speak to the state of the police?—Up to the year 1823, when my judicial services ceased.

1624. Where were you at that time?—In Cawnpoor.

1625. What was the state of the police at that time?—I was Magistrate of the district. I am inclined to believe, from the opinions expressed by my superiors, that they were satisfied with it.

1626. Did gang-robbery prevail?—Gang-robbery did exist; but it was an offence which was committed, not by people of the district, but by gangs that came from the King of Oude's territory. They were almost all inhabitants in the jungle forest to the north of Oude.

1627. Were other offences frequent?—They were certainly frequent, though yearly diminishing. The other great offence

was thuggee, or murders by professional murderers on the highways; a singular offence, peculiar to Upper India.

1628. Did it prevail to any extent?—It prevailed, I think, to the extent of about ten in the year, which was the average when I left the district. There had been forty of these cases during a single year before.

1629. Can you speak at all to the comparative degree in which those offences prevailed, at any distant period before that, and at that time?—The exact number I cannot remember, but the impression upon my mind is that there was a considerable diminution in the number of gang-robberies. Two or three a year was, to the best of my recollection, the average at the time I left; and of the thuggee a very considerable diminution had taken place, greatly in consequence of measures which I had myself carried into effect, in concert with the neighbouring Magistrates. In revising the cases sent to government in 1826, by the Commissioner on the Nerbudda, I found that whole gangs of thugs had been apprehended in his jurisdiction, who were natives of Cawnpoor and the adjacent districts, whence they had been induced to remove, in the hope of finding more facility of committing their depredations in a recently acquired territory than in one which had been long under British rule.

1630. The district was under a zemindarry settlement, was it not?—Yes.

1631. Had the zemindar any thing to do with the police?—No great degree of direct power, but a great deal of indirect influence.

1632. How many zillahs were under you?—Only one; the zillah of Cawnpoor, which I had charge of.

1633. How many villages are there in the district?—I think about 2,000.

1634. What is the number of police officers under the present establishment?—I should think altogether from 250 to 300; perhaps 300.

1635. Those divided among 2,000 villages?—Yes; I refer to the stipendiary officers of government.

1636. Were there any other persons existing in the village but those?—Every village has its watchman; it is part of the constituted establishment of an Hindoo village. The watchman is likewise a kind of messenger to the village.

1637. Does he assist in the general police of the country?—He may be made to assist considerably, under proper management; but sometimes he was the most formidable person to be apprehended in other villages. He was often in league with thieves of other villages, if he did not commit theft in his own.

1638. Except with respect to his own village, he was a pro-

12 Mar. 1830.

T. C. Robertson, Esq.

fessed robber?—He was too often so, or rather a thief; but he might be made very useful indeed.

1639. Was any attempt made by the Judge to convert them into useful officers?—I think it greatly depended on the management of the landed proprietors. If a stranger was in the village, as, for instance, in one of those villages where the original owners had been ejected, and strangers had obtained possession, I think the village watchmen hardly ever were of any use; but where the original land-owners were left in possession, and allowed to retain a certain degree of authority over the village watchmen, who were men of the lowest caste, I found that their services were of great use.

1640. Have you observed that the good order of the country was much better preserved where the old possessors of the soil remained than where new ones were introduced?—I should certainly think so; and I can mention two instances which afford a remarkable proof of it. There were two Pergunnahs (certain divisions of the district) in which no stranger had intruded at all, by accident, in some degree I think. When I left the district, I had a great number of civil suits depending, of which not one originated in one of those divisions, and only one or two in the other; and, to the best of my recollection, the police in those two divisions was about the very best in the whole district.

1641. What is the pay of the Tehsildar?—It varied very much. At the time those frauds were practised, I know that they had very handsome allowances; I think ten per cent. upon the collections. At present it is much less.

1642. What is the population of those 2,000 villages to which you refer?—I cannot speak with confidence to that, but I have generally heard the whole district calculated as containing nearly a million.

1643. Was the population almost entirely Hindoo?—Yes.

1644. Did Europeans resort at all to Cawnpoor who were not in the service of the Company?—A great many.

1645. Under licences as commercial agents?—Yes; several tradesmen, and some as indigo planters.

1646. Were those under licences from the Company?—Yes: there were also one or two foreigners—French.

1647. Do you know on what conditions those licences were granted?—The usual conditions prescribed by the last Act of Parliament. They obtained a licence in Calcutta, which they brought with them. There was no other condition, except that of not being permitted to purchase land.

1648. Did they require a licence, also, from the local government?—They always received the licence from the Secretary of Government.

12 Mar. 1830.

T.C. Robertson, Esq.

1649. Are those licences to go to any particular district, or a general licence to go beyond the limits of Calcutta?—The licence they received in Fort William is to go to a particular place; and if they wished to remove, they must apply for another, although that is constantly dispensed with in practice; and they do move occasionally, without attending to that formality, which is not very rigidly enforced.

1650. Are they under any superintendence or regulation?—No; none but those prescribed by the Act of Parliament.

1651. Have you known instances of those licences being revoked?—I do not remember one in that part of the country; indeed I do not remember one in my own experience.

1652. Was the number of British commercial agents resorting to those provinces increasing?—There was not any great increase in my own experience; during the time I was there, there was no remarkable increase certainly.

1653. Do you know how the upper provinces are supplied with salt?—A good quantity comes from the western part of India; it is called Bulumba salt, I think, and it is also brought from Bengal; but I cannot speak with much precision to this point.

1654. Do you know under what regulations the salt is manufactured which does not come from Calcutta?—I am not aware; there was none manufactured in the immediate vicinity of the district I was in, and I do not recollect having my attention called to the subject particularly.

1655. Were the appeals from the court at Cawnpoor to Calcutta of frequent occurrence?—There was no direct appeal to Calcutta; the appeals from Bareilly were frequent.

1656. Were the people deterred by the idea of expence?—Not the village Zemindars; they are most persevering in the pursuit of their object, and they will not be deterred by any consideration from attempting to accomplish it.

1657. Is it your opinion that the distance of the upper provinces from the presidency materially interferes with the course of justice and of government?—I think it does to some degree; to a considerable degree. I should think that the appointment of a court of final jurisdiction in the upper provinces would be a great benefit to the country.

1658. You are aware of the system of appeal which exists in India from the lowest court to the highest?—Perfectly, as it existed in 1823.

1659. Do you think that is one of the circumstances which leads much to the prevalence of litigation in India?—I think there is an erroneous opinion current, that a series of consecutive appeals is regularly allowed. There is but one regular appeal allowed; any second appeal must be on special grounds.

12 Mar. 1830.

T.C. Robertson, Esq.

The parties have no right to demand that a second appeal shall be received, consequently I cannot see how those second appeals can lead to excessive litigation. It is left to the court applied to to receive or reject such application, as it may think right.

1660. Is not indigo cultivated to a very considerable extent in the province of Bahar? —To a very great extent in the districts of North Bahar.

1661. The soil and climate of Tirhoot is particularly favourable to the cultivation, is it not?—It is.

1662. Do you conceive that that cultivation has been very beneficial to the interests of the inhabitants within the district?—Decidedly so; it is impossible to look at the districts without being struck with its high state of cultivation, and the quantity of forest land which has been brought under the plough; which would not have been, I conceive, but for the funds received from the indigo planters, who raised indigo on the ground which had been previously given up to corn.

1663. Do you think that has been favourable both to the increase of wealth and the increase of civilization among the natives?—To the increase of wealth unquestionably. With regard to the civilization of the natives, I cannot speak with confidence, as I have never been in that district since 1814, and never resided in it sufficiently to become intimately acquainted with the natives; but most certainly it has contributed to the wealth of the country.

1664. Have you had any opportunity of knowing whether the general habits of the people have been improved by that increase of wealth?—I have not had any opportunity of forming any opinion upon it. I am speaking of the district of Bahar.

1665. Are you aware whether the collection of the revenue has been very much facilitated by the cultivation of indigo?—I should think, from a circumstance which I recollect, that it has. I recollect once, in the year 1814 I think, being out on a hunting party with some of the planters of indigo, when a native came up to apply for the sum of 30,000 rupees, if I remember right, which he wanted to borrow to pay the Collector for sums which were due to government. The transaction was terminated in the tents. The native received an order for the money, and gave a promise to cultivate indigo on a certain portion of ground, and with this money he was, I have understood, enabled to pay off the arrears due to government. I infer from that circumstance that the commercial intercourse between the planters and the natives does in some degree facilitate the realization of the revenue of the district, as might be expected also from the quantity of money by the former brought into circulation.

1666. Would not such a circumstance tend to diminish fraud and other habits of a vicious nature to which the inhabitants are

12 Mar. 1830.

T. C. Robertson, Esq.

peculiarly prone?—I certainly think any well-regulated intercourse with Europeans must have the greatest tendency to produce that result.

1667. And also an increase of wealth?—Yes; but it must be with respectable Europeans, otherwise I think it will have the effect of deteriorating rather than advancing the natives.

1668. Do you mean that it should be inferred from that, that the general habits of Europeans who are settled there are of an unfavourable description?—Certainly not, generally; but I do think that Europeans of the lower order are sometimes apt to lose all that is good in the European character, and to acquire all that is bad in the native character, in India.

1669. What do you mean by the lower order?—I mean men who have not the education, feelings, and manners of gentlemen.

1670. Do you mean to include in that number persons who have found their way to India without a licence from the East-India Company?—Yes, and some who have had a licence; for a licence is no certain guarantee of respectability.

1671. Do you know the number of European settlers now established at the province of Bahar?—I cannot speak with certainty to that point; I know the number in Tirhoot alone was about forty.

1672. Are you aware of any inconveniences which have resulted from the cultivation of indigo?—None in that quarter certainly; I never heard of any worth mentioning. Of course some little inconveniences occasionally might arise, but none of consequence.

1673. Is sugar grown to a great extent in that district?—To a great extent.

1674. Is machinery used in that cultivation?—It has, I believe, been tried. I have been informed that the West-Indian machinery was introduced by a gentleman in that district, and that it was found that it did not extract so much from the cane as the common simple machinery of the natives; and I believe the gentleman who established it was a very considerable loser. His loss, certainly, was ascribable to the rate of duty leviable in Europe upon East-India sugar; because he made it for the use of the commissariat for manufacture of rum; and I have been told that it was a decided failure.

1675. Did you hear in what respect the West-Indian machinery was less effective than the native machinery?—No; I am not competent to answer that; I do not understand machinery; I merely was told that such as I have stated was the result.

1676. Are you aware of the machinery which is used in the

12 Mar. 1830.

T. C. Robertson, Esq.

West-India islands having been introduced into any other part of India?—I never heard of any other instance but this one.

1677. Do you conceive that the cultivation of sugar in Bahar is not susceptible of improvement?—Of its improvement I am not competent to speak, as I have not been in those provinces since 1814; but I should suppose it would keep pace with other cultivations.

1678. There is very little machinery required for the cultivation and the preparation of indigo, is there?—Not much machinery, probably, but expensive establishments are required. They are on a very large scale in the district of Tirhoot. The vats are all of brickwork, and so are the storehouses; and as they manufacture at home in that district, their establishments are on a very large and expensive scale.

1679. Are a high degree of skill and ingenuity required for the construction of that machinery?—No, certainly not; indeed there is nothing that could properly come under the designation of machinery. It is a large establishment of vats and storehouses and drying-houses; but there is nothing that I should suppose properly could be designated as machinery required in the manufacture.

1680. It consists of a species of labour easily supplied by the natives themselves?—Very easily.

1681. Could the cultivation of indigo be easily increased in Bahar, if additional licence were given by the Company?—Through Bahar I should doubt whether it could be greatly, most especially in Tirhoot; but I would not be understood to speak conclusively upon the point, not having been there for many years.

1682. Do you know any thing of the cultivation of silk?—No.

1683. Or of cotton?—Cotton, I know, is cultivated to a certain extent in the upper provinces of India, but I am not minutely acquainted with it. The plant is to be seen in most villages.

1684. Does that depend upon the nature of the soil?—Yes, of course; all the crops in India depend upon that to a great degree.

1685. You spoke of professional murderers; is the revengeful feeling that leads to assassination very prevalent among the natives?—No, certainly not; those professional murderers murder for gain alone.

1686. Do they murder for what they can obtain from the individual?—Yes; I never met with an instance of a hired assassin in India.

1687. Does slavery exist in the district of Cawnpoor?—Domestic slavery exists; but of an agricultural slave I do not recollect a single instance. When I speak of domestic slavery, I

mean that status which I must call slavery for want of any more accurate designation. It does not, however, resemble that which is understood in Europe to be slavery; it is the mildest species of servitude.

1688. Have the goodness to describe the nature of that?—The domestic slaves are certain persons purchased in times of scarcity; children purchased from their parents; they grow up in the family, and are almost entirely employed in domestic offices in the house.

1689. Are they liable to be resold?—No, certainly not; I never remember an instance of an avowed sale of slaves. I have known attempts made to kidnap children, and send them over to Lucknow; but then that was an illegal act, done clandestinely, as any other illegal act would be.

1690. Are those domestic slaves capable of possessing property?—I should say not, as far as my own recollection goes. I never remember an instance being brought forward in which it was tried; for they are almost always so contented with remaining in the house of their masters, on whom they always have claims for support, that I cannot remember a single instance of a slave claiming property as independent of his master. I do not think that, by the Mohamedan law, they would be able to hold property.

1691. Did any cases of enfranchisement come within your knowledge?—I have known persons, who have sold their children in times of scarcity, come to redeem them; paying back the purchase, and requiring to have them back. I do not think that they have, by the Mohamedan law, a legal claim to have them back: but I always continued to give the children back, when the claim was made to me.

1692. That was a personal act of your own, you having had influence to effect it?—Yes; I found that the most easy way to effect it.

1693. Is slavery recognized by the Hindoo law?—It is.

1694. Is there a power of redemption under that law?—I am not aware of it, but there is a certain species of slavery in South Bahar, where a man mortgages his labour for a certain sum of money, and this species of slavery I found afterwards in Arracan and Ava. It is for his life, or until he shall pay the sum, that he is obliged to labour for the person who lends him the money; and if he can repay the sum, he emancipates himself.

1695. Have their masters any power of punishment?—None recognized by our laws. Whatever may be the provision of the Mohamedan or Hindoo codes to that effect, it is a dead letter; for we would not recognize it. The master doubtless may sometimes inflict domestic punishment, but if he does, the slave

12 Mar. 1830. — *T. C. Robertson, Esq.*

rarely thinks of complaining of it. Were he to do so, his complaint would be received.

1696. Did you, under the Regulations under which you acted, feel justified in punishing the master if he did inflict personal correction ?—Most unquestionably.

1697. Has there been any alteration of late in those Regulations ?—I am not aware at all of the Regulations since 1823, as I have been employed in another department. I am not aware of any particular modification, excepting more severe regulations regarding the exportation and importation of slaves. I recollect a severe enactment being passed not very long ago upon that subject.

1698. What act do you allude to ?—A law of the Bengal government. I cannot speak very positively, but I think there was a law increasing the punishment, in cases of exportation of slaves, of the persons convicted of that offence.

1699. Applicable only to that government, of course ?—Just so; but I cannot speak very positively to that. I am not sure whether I am speaking of a letter I have received, or a printed Regulation.

1700. Describe what you mean by exportation and importation of slaves ?—Sending slaves to foreign states, to Lucknow, and to the Mahratta states, across the Jumna.

1701. It is all land exportation ?—There are Regulations, I believe, at Fort William, regarding the exportation and importation by sea; but I cannot speak positively to those.

1702. Has it come to your knowledge that a considerable importation of slaves has been made by the Arabs ?—No; I have never been in a situation to acquire information upon that subject.

1703. Are the slaves employed in a severer species of labour than the other natives ?—Certainly not; quite the reverse. In Upper India they are employed in domestic labour entirely, and I suppose it is the very mildest of all species of servitude in the country.

1704. Do you think so mild a species of servitude holds out any strong inducement to seek enfranchisement ?—No; I am inclined to think that if enfranchisement were bestowed tomorrow on all slaves in that part of the country, it would be a very unacceptable boon; but in regard to those who have mortgaged their labour, they probably would be glad to be emancipated on the best terms.

1705. What becomes of the slaves in case of a master becoming insolvent; failing to pay the government collection ?—I think they would pass to his relations. I do not remember a single instance of an application for a sale of slaves in such a case in Upper India. I think they would apply to his nearest

relation to support them, for they conceive they have their claim for support on the master and his family. 12 Mar. 1830.

T.C. Robertson, Esq.

1706. Has it come to your knowledge, where the property has been advertised for sale by the Company, that slaves have also been sold with the property, or separated from it?—I should certainly suppose they would be separated from it, except in Southern Bahar, where the agriculture is carried on by them; there it is possible that if that property were sold the slaves would pass with it; but I do not remember an instance of a transfer of the sort.

1707. Has it come to your knowledge that any slaves have been sold?—It has certainly, in Ramgur, in South Bahar, where they would probably pass with the property, because they are agricultural slaves.

1708. Where domestic slavery alone exists, you think they would not?—In domestic slavery I should think they never would pass.

1709. Then what would become of them?—They would become like other labourers, I should apprehend.

1710. Would they be emancipated by the death of the person to whom they were slaves?—By the mere absence of a person having authority over them, they would fall into the common mass of the people. I do not think any legal form would be necessary to transfer them from one state to the other.

1711. What becomes of the children born of those parents who are slaves?—They are still regarded as slaves; but not in the case of agricultural slaves, in which the transaction originates in a species of mortgage, that being a mere personal obligation.

1712. When you speak of agricultural slaves, you speak of those who have mortgaged their labour; that applying to the district of Ramgur?—Yes.

1713. You cannot speak positively to what becomes of domestic slaves in case the owner dies or becomes insolvent, or as to whether he has a right to transfer them?—If he died without heirs, I should think they would be emancipated by that circumstance; if there were any heirs, I think they would pass to them; but otherwise I should say they would become free, from the absence of any person to exercise a claim over them.

1714. All property is divided among the children in equal proportions, is it not?—Certainly not all; that would be too general an expression: it would require to define the nature of landed property. Personal property is very commonly divided in that way, but not real property.

1715. Are slaves personal property?—Yes, I conceive that I should regard them as such; and it is very common for them

12 Mar. 1830. — *T. C. Robertson, Esq.*

to be divided, so many passing to one and so many to another member of a family.

1716. Is the will of the slaves consulted in such an arrangement?—I conceive it is, repeatedly.

1717. Is it necessarily so?—I do not know that it is absolutely necessary, but I should conceive it was constantly considered, from the very few cases, or rather the absence of any cases of complaint arising out of such transactions, to the best of my recollection.

1718. Is the master of the family entitled to sell the children of those domestic slaves?—Certainly not; he cannot sell them any more than he could sell the original slave. I have never known an instance of a domestic slave being sold. I think that it would be reckoned highly disreputable, independently of all legal considerations. It is regarded, I conceive, as a point of honour to maintain the slaves in the family; and that it would be reckoned disreputable in a native of any pretension to character to sell his slaves.

1719. Does the law recognize the purchase of them as children?—Certainly.

1720. Would it not recognize the sale of that which had been bought?—No, I do not think it would; for the purchasers incur the obligation of educating and bringing up the children, in return for which they get their services.

1721. By the Mohamedan law, has the master of a family any right to sell slaves?—I cannot answer distinctly as to the provision of the Mohamedan law; but certainly it is not recognized in our code of laws in the Bengal presidency. I do not remember a single instance of it.

1722. Is it permitted by the Hindoo law?—I really cannot answer positively; I think not. I have never had occasion to refer to either the Mohamedan law or the Hindoo law, but guided myself by the printed laws of the government.

1723. Is it expressly held out by the printed laws of the government?—I do not remember an express prohibitory provision in the printed laws to that effect.

1724. Does the Code of Regulations at all recognize the existence of slavery; is there any express mention of the state?—Yes, it is mentioned and recognized, certainly, in the very Regulations which prohibit the exportation and importation of slaves.

1725. You state that the property is not necessarily divided between the children; will you state whether there is any right of willing property away?—The right exists, unquestionably; but wills are very seldom resorted to by the natives. I believe that they very commonly execute a deed of gift, and sometimes very shortly before their death making over the property to the

person whom they intend as the heir; and generally the testator or donor remains in possession till his death, and the deed lies dormant until that period. It is virtually a will, though not formally so.

1726. The common practice, where such a deed has not been executed, is an equal division among the children, is it not?—According to the particular provisions of the Mohamedan or Hindoo law; according as the parties are of one persuasion or the other; there is a slight difference in their provisions in that respect.

1727. By the Mohamedan law females do not inherit, do they?—They do in some cases inherit. The widow, for instance, is entitled to one-third, where there is no provision to the contrary; but it is necessary always to distinguish between real and personal, because real property requires a separate explanation.

1728. Have the goodness to state the distinction?—The landed property in Upper India may be said, in my opinion, to belong to the community of the village. These village communities are, in the district of Cawnpoor, mostly headed by families of the Rajepoot caste. One man is often the senior and managing owner of the village, though in many cases he has several recorded partners and colleagues. These individuals obtain, either by descent or sometimes by their personal influence among those of their own caste, a superiority in the village and the management of its affairs. Those of their family and caste have certain privileges, and certain portions of the produce; and then again the other lands are let out to men sometimes in the same village, sometimes in the neighbouring village; while certain portions and certain rights are possessed by the different craftsmen or artisans; such as the schoolmaster, the washerman, the watchman, the carpenter, the blacksmith, who have each a right to a certain share in the produce of the soil. A remarkable instance I can mention of the manner in which the natives in that part of India regard property of this kind, which occurred, I think, about the year 1818, or it may be in 1820. A village had some years before been put up to sale, for a balance of 700 rupees due to the government, and as no purchaser appeared, its was bought in by the government for a nominal price; one rupee, I think. The people then subscribed together; almost the whole village subscribed in small sums, as low as two or three rupees, to make up this sum of 700 rupees; and they went or sent their agent to the collector's office to pay this money, and get the name of the managing owner replaced in his records. The man was accordingly reinstated in his office as manager of the village, and in about a year afterwards sold the estate to a gentleman of the name of Maxwell, born in India, and consequently enabled by law to hold land, the son of an European, who had been settled in that

12 Mar. 1830.

T. C. Robertson, Esq.

part of the country. The men who had subscribed for the redemption of the estate immediately brought a suit to cancel the deed of sale to Mr. Maxwell, on the ground that they had contributed each his quota to reinstate the managing owner in the situation which he had forfeited by not paying the sum due to government.

1729. Do you know what sum Mr. Maxwell gave for it?—I think he gave about 2,000 rupees for it.

1730. What was the result of the suit?—I decided the case in favour of the villagers, cancelling the sale. It was immediately appealed to the court of Bareilly. In this interim a robbery happened in the confines of this village, a considerable highway robbery, committed by men on horseback. The leading person among the villagers immediately mounted his horse and raised the country, and succeeded in effecting the apprehension of the robbers; in consequence of which the superior court in Calcutta, the Nizamut adawlut, in deciding on the case, ordered a very handsome reward to be given to this individual. Before the orders to this effect were received from Calcutta, the final decision in favour of the villagers was reversed at Bareilly, and an order was sent to me to restore possession to Mr. Maxwell, which I of course was obliged to comply with. The very man then upon whom the superior criminal court in Calcutta had ordered the reward to be conferred, went at noon-day into the house of the man who had sold the village to Mr. Maxwell, dragged him out into the street, and cut his head off, and then absconded across the Ganges, and, I suppose, went to join the robbers in the country of Oude.

1731. What became ultimately of the estate?—At the time when I left the district, Mr. Maxwell was in possession; but I think I heard afterwards that the decision was reversed by a degree of the Sudder court in Calcutta, and that the villagers recovered possession.

1732. What were the grounds on which the decision was reversed?—That the managing owner had full power to do what he thought fit with the village; that he was proprietor, and had power to sell or do what he liked with the property; whereas I regarded him as the mere representative of the community.

1733. So the Sudder court at Calcutta appear to have regarded him?—Yes, if that decision was passed; but I cannot speak positively to it.

1734. If that decision which reversed yours is correct, there is a power on the part of the head of the village to dispose of it as his property?—Unquestionably, if that decision was correct, it is so; but I should question its correctness, because I think it was reversed by the supreme tribunal in Calcutta.

1735. Do you recollect in what character the sum of money was voted to the person who had done this service to the village?

—I think it was not a sum of money, but a sword, or something of that kind, as an honorary reward to this man, who had been active in taking the robbers. 12 Mar. 1830. T.C. Robertson, Esq.

1736. Is the opium grown in the Bahar district of a good quality?—I believe it is very good indeed; I believe the very best in India; I have always understood so when I was there.

1737. Did you hear frequent complaints of its being deteriorated?—I have heard such complaints, but I am not all acquainted with the process of its manufacture; and I cannot say whether they were well-grounded or not.

1738. Is it not supplied to the Company at a fixed price?—It is upon advances of money; they advance money to the cultivators.

1739. Is that price very low, as compared with what it sold for at Calcutta?—I believe it is, and still lower in comparison to what it was sold for secretly to the smugglers. I think the difference is as great as between three rupees and nineteen or twenty for the seer.

1740. Do you not think that would present a strong motive to cultivators to deteriorate the quality of it, their being obliged to supply it at so low a price?—I do not see that that applies so much to deterioration as to the encouragement it presents to smuggling; but I believe that, if it were not for what they hoped to gain by the smuggling, they very often would not accept the engagements for its cultivation at the rates at which it is supplied to the Company.

1741. Is not the price at which they supply the government a full remunerating price for the labour bestowed upon the land?—I am very incompetent to give an opinion upon that point; but I am inclined to think it is not, from the very high rent the opium lands pay; they pay the very highest rent of any land.

1742. Do you consider it an exhausting crop?—I am not sufficiently well acquainted with agricultural subjects to speak to that; I do not think it is, for it is repeated on the same soil year after year.

1743. Do you know whether it can be grown to advantage on soils of an inferior quality?—Certainly I should think not; for, as far as I recollect, the opium is always cultivated on the very finest soils, and the very highest rent is paid for the opium lands.

1744. Were not you a Commissioner at Arracan?—I was.

1745. What was the condition of that province?—When we entered it, nothing could be more wretched.

1746. How long were you there?—The province of Arracan itself I entered with General Morrison's army in January 1825; I left it for Rangoon in October of that year.

12 Mar. 1830.

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T. C. Robertson, Esq.

1747. Was that wretchedness the effect of the war, or the condition of the people?—Partly the effect of the war, from the great demand which had been made by the Burmese authorities on the resources of the country during the period which had passed from the commencement of hostilities; but in a great measure from the general tyranny of the Burmese government.

1748. Were there any appearances of improvement while you remained there?—We were necessarily obliged to make very great demands upon its resources for the supply of the troops. During the time I was there, there was no improvement further than an increase of confidence. I understand, however, great improvement has since taken place; but it was impossible, under the circumstances of our tenure at that moment, when the troops were to be supplied with many things from the country, that any great improvement should take place.

1749. Was the population great?—The Mugs, the people of the country, who had fled into other states, were returning to their villages in great numbers; many kept away under the apprehension of being obliged to contribute to the supply of the army, who would return as soon as that apprehension abated.

1750. Was the country a fertile country?—I conceive that it was.

1751. The country was under military occupation at the time?—Completely so; that is, I, as political agent with the army, had the entire and absolute charge of it.

1752. Is the country near the coast unhealthy?—Unhealthy in the extreme.

1753. Our army suffered very much from sickness there?—Very much indeed.

1754. Have the goodness to state whether the regulations treating of offences against the person, and the punishments to which they are liable, are the same in Bengal as in Bombay?—I do not believe they are quite the same. I have never read the Bombay code, and therefore I cannot speak precisely; but I should suppose there must be some slight differences between them, though generally perhaps the same.

The witness is directed to withdraw.

CHARLES HYDE, Esq. is called in and examined as follows:

C. Hyde, Esq.

1755. What situation did you fill in India?—In the revenue department as collector.

1756. In what presidency?—Fort Saint George.

1757. In what stations were you?—South Arcot, Chingleput, and Vizagapatam, in the Northern Circars.

1758. In what manner was the revenue of those districts settled?—In South Arcot ryotwarry, mootahdarry in Chingleput, and zemindarry in Vizagapatam, in the Nothern Circars.

1759. Did you make any of the settlements?—The ryotwarry settlement in South Arcot.

1760. Did you find any great difficulty in making that settlement?—None at all.

1761. That was a settlement with the individuals occupying the land?—Yes, with every individual occupying the land in the parish.

1762. You did not find any great difficulty in that arrangement?—None at all.

1763. Was the revenue easily collected under it?—With great ease; there was no trouble in collecting the land revenue.

1764. Had you experience of the mootahdarry settlement in Chingleput?—Yes.

1765. How did that turn out?—The mootahs fell gradually into the hands of government, and the revenue was settled by the Collector under the aumany system.

1766. Will you explain what that is?—The division of the crops between the government and the ryots; this was the aumany settlement.

1767. In what manner divided or arranged; is it an annual assessment on the occupier?—Yes; a division of the crops.

1768. Were the collections as easily and as well effected under that as under the ryotwar?—No.

1769. Under that species of settlement, what proportion did you take for the government?—I think it was about half and half.

1770. What proportion did you generally take under the ryotwar?—It was a land tax.

1771. Under the aumany settlement you took the produce and sold it?—Yes; that was in Chingleput.

1772. Of that sale you took half for the government?—Yes, according to my recollection.

1773. Who had the sale of it?—It was a public sale by the public servants.

1774. Under the direction of the Collector?—Yes.

1775. Is it your opinion that that mode of settlement was more or less advantageous to the cultivator of the land?—No; very disadvantageous to him; it interfered with the reaping and threshing of the crops.

1776. You had experience of the zemindarry settlement also? —Yes, in Vizagapatam, situated in the Northern Circars.

1777. How did that mode of settlement work?—It laboured

12 Mar. 1830.

C. Hyde, Esq.

under great disadvantages. The lower class of the inhabitants were generally ruined by the oppressions of the Zemindars. Several of those zemindarries came under my management, and I could never realize the standard permanent revenue at which the zemindarry had been assessed, in consequence of the circumstances of the ryots been so much impoverished.

1778. Were they impoverished by the previous exactions of the Zemindars?—Of course.

1779. What proportion of produce do you suppose came to the government under the zemindarry settlement?—I have no idea, but I think half.

1780. As far as your experience went, you prefer the ryotwar?—Certainly.

1781. As advantageous both to the government and to the cultivators?—Yes; promoting the prosperity of the country.

1782. What means had the Zemindars of enforcing the payment from the ryots that they had stipulated to receive?—By distraint.

1783. Do they frequently have recourse to such distraint?—Yes; they have always had recourse to distraint of the property of the ryots without any reference to the Collector, for he (the Collector) is not authorized by the Regulations to interfere with the Zemindars.

1784. How do they generally dispose of the property so distrained?—By selling it to the merchants, either by private or public sale.

1785. Are you acquainted with many instances of ryots being obliged to abandon their grounds in consequence of those distraints?—No; I could only discover that when the estates came under my management for arrears, as then I had to make a settlement for the following year.

1786. Have you ever observed among the ryots persons possessing any capital?—In the Northern Circars the inhabitants possess very great capital; many of them are very wealthy.

1787. Many among the ryots are wealthy?—Yes.

1788. Do they employ that capital in the improvement of land?—Yes, sometimes.

1789. In the zemindarries?—Yes.

1790. Does not the fear of the Zemindar's raising the rent he requires from them operate to deter them from that employment of capital?—Yes, in most cases.

1791. You think, then, that in a part of the country where there was no zemindarry settlement, the capital would be more freely employed in the cultivation of land?—Certainly. In South Arcot, in 1823 or 1824, the revenue increased two lacs of rupees by increase of cultivation under the ryotwar settlement.

Of the land revenue there were twenty lacs, and of other sources ten lacs. There were 450,000 inhabitants, and I had to distribute 70,000 pottahs. 12 Mar. 1830.

C. Hyde, Esq.

1792. For what period was the ryotwar settlement made in South Arcot?—It is an annual settlement, according to the extent of cultivation carried on by each individual.

1793. Are ryots under those circumstances obliged to continue to hold the land they have agreed for, or can they part with it?—They can part with it; there is no compulsion on them on the part of government.

1794. Do they ever underlet it to other ryots?—No.

1795. Would they be permitted to do so?—Certainly.

1796. The Mootahdars are newly instituted proprietors of land?—They are persons who have bought estates at public auctions, and are so distinguished from Zemindars by being called so. Zemindars are people who were there when we took possession of the country.

1797. Does a Mootahdar mean a Zemindar, only newly created?—Yes; there is no difference in his character.

1798. You stated that you had been employed in making several ryotwar settlements; what time did it take you to complete a ryotwar settlement?—About two months and a half, with the assistance of the subordinate officers placed under my authority.

1799. What police had you in the district in which you were?—The village police.

1800. Had you no government police?—Yes; there was an establishment of police peons under my authority.

1801. Of what number did that consist?—I do not recollect the exact number of the establishment, but I think about five or six hundred peons.

1802. Was a great proportion of the country in possession of the Mootahdars you have spoken of?—Yes; Chingleput was mostly under Mootahdars.

1803. The whole property had changed hands?—Yes; it is now all under the government; but it is long since I left Chingleput.

1804. Are the village watchmen employed in the police?—Yes.

1805. That is an hereditary office?—Yes.

1806. Did you make use of the village watchmen?—They were the principal persons employed in the police.

1807. Do you refer to the persons who form a part of the establishment of every village?—That is the talliary.

1808. Were they of much use to you?—Yes, a great deal.

12 Mar. 1830.

C. Hyde, Esq.

1809. Were they persons in whom you placed confidence?—Oh no.

1810. Why?—They were persons of low caste, who gave the information regarding every thing of strangers coming into the villages, and reported daily to the head men of the village.

1811. They were not employed in taking offenders or suppressing offences?—No; the peons performed that duty.

1812. What were the prevalent offences in that district?—Petty offences and robberies.

1813. Had you any gang robberies?—Very few.

1814. In the Northern Circars were there any gang robberies?—I had not the police under me then.

1815. You were not Collector in any part of the country where there were Polygars?—No.

1816. Were there any manufactures in that part of the country?—Indigo manufactures.

1817. Any cloth manufactures?—There were weavers.

1818. To any considerable extent?—About 30,000 weavers.

1819. Do you know what has been the effect of importations from England on the trade of those weavers?—No, I do not.

1820. Were you on the Bengal establishment?—No; on the Madras establishment.

1821. Does slavery exist in that district?—I made a report on slavery in South Arcot.

1822. Have the goodness to state the conditions under which it exists?—The slaves generally go with the land, and they are transferred when the land is sold.

1823. It is agricultural slavery?—Yes; but there are very few. In fact I can scarcely consider them as slaves, they were so well protected by their masters. They are never sold; but if the land is sold they go along with it.

1824. By law or by usage?—By usage.

1825. Are the children of slaves also slaves?—They are generally so considered.

1826. By law, are the children of slaves ever sold?—No, never in South Arcot.

1827. Is enfranchisement common?—Very seldom.

1828. Are they capable of possessing property?—No.

1829. Is their evidence received in a court of justice?—Having never filled any situation in a judicial department, I cannot speak to that.

1830. Have any cases of ill-usage come to your knowledge?—No.

1831. What was the nature of the report you made upon

that subject?—I was called upon by government to report the number of slaves, which report I forwarded to government; but it is long since I wrote the report. 12 Mar. 1830. — C. Hyde, Esq.

1832. Simply the number?—Yes, simply the number, the state and condition of the slaves.

1833. Can you state the number?—I should think about 20,000.

1834. What is the population of the district on which you made your report?—450,000 inhabitants.

1835. Of whom about 20,000 are slaves?—Probably about that number.

1836. Your report consisted of the number of slaves?—Yes, and their condition; but it is so long since I wrote the report, that I do not recollect exactly what I then stated.

1837. How long ago was the report made?—I should think that it is now ten years ago.

The witness is directed to withdraw.

Ordered, That this Committee be adjourned to Tuesday next, one o'clock.

Die Martis, 16° *Martii* 1830.

The LORD PRESIDENT in the Chair.

JAMES COSMO MELVILL, Esq. is called in, and further examined as follows:—

1838. WHAT have you to lay before the Committee?—I have prepared, agreeably to the desire of the Committee, a statement of the revenues and charges of India, from 1823-4 to 1827-8, and an estimate for 1828-9. This statement shews, at one view, the gross produce of the revenues, the proportions of that produce which have been expended in charges of collection and in the stipendiary allowances, and the mode in which the remainder has been applied. 16 Mar. 1830. — J. C. Melvill, Esq.

The same is delivered in, and read.

(*Vide Appendix to this Day's Evidence, No.* 1.)

I have also prepared, agreeably to the command of the Committee, an estimate of the amount in which the charges of India, supposing peace to continue, are expected to be diminished in future, as compared with 1828-9, by the various reductions of establishments, military and civil, which have been ordered to be effected. Referring to my former statement, that if the charges in future years remained at the amount specified in the

16 Mar. 1830.

J. C. Melvill, Esq.

estimate for 1828-9, and if the territorial branch were to continue to derive the same advantage in its remittances as at present, the probable excess of charge over territorial revenue would be £1,478,285; it may be proper now to apprise the Committee, that since I made that statement intelligence has been received from Bombay of a falling-off in the land revenue there in 1828-9; and which, it is apprehended, may to some extent affect the receipts of future years. I would also mention, that my former statement was made without reference to any diminution of revenue that may arise from the measures in progress for discontinuing the Malwa opium monopoly.

The same are delivered in, and read.

(*Vide Appendix to this Day's Evidence, No.* 2.)

1839. Can you state the amount of the expected diminution of revenue in Bombay?—The diminution in 1828-9 was thirty-two lacs of rupees; or, at 2*s*. 3*d*. the rupee, £360,000. No estimate has been received from the government of Bombay of the probable effect of the defalcation in future years.

1840. What is the probable falling-off from the breaking up of the opium monopoly in Malwa?—No estimate has yet been received of the financial effects expected from that measure.

1841. Can you state what is the cause of the falling-off of the revenue in Bombay?—The government of Bombay ascribe it mainly to the poverty of the country in the Deccan.

1842. Was that owing to any accident of seasons?—That is not stated as a cause, except in the district of Broach, and there to a small extent only.

1843. It is stated that apprehensions are entertained that defalcation to a certain extent will continue?—The Governor of Bombay, in his minute, has expressed an apprehension of that sort.

1844. What do you suppose the cause of that apprehension?—The view which the Governor takes of the state of the country, as indicating the probable continuance of the causes which have produced a deficiency in the current year.

1845. And conceiving that the deficiency will continue for several seasons to come?—Yes.

1846. Is there any other source of revenue from Bombay that is at all considerable besides that which arises from land?—The customs.

1847. Has there been a falling-off in them?—No; the falling-off in the land revenue does not appear to have extended to the customs.

The witness is directed to withdraw.

THOMAS WARDEN, Esq. is called in, and examined as follows:

16 Mar. 1830.

T. Warden, Esq.

1848. What situation have you filled?—I was employed in the province of Malabar for a period of about twenty-eight years: six or eight years in a subordinate situation, judicial and magisterial; thirteen years as principal Collector; and nine years as a Judge of the provincial Court of Circuit and Appeal. The province of Malabar was, on the cession of the province, under Bombay; but annexed to Madras in 1800.

1849. Were the revenue and judicial lines kept distinct?—Not in the first instance. After the introduction of the Bengal judicial Regulations they were separated; and on the introduction of Colonel Munro's Regulations of 1816, the police duties entirely, and the magisterial partially, were annexed to the revenue.

1850. Was that last arrangement found to be beneficial?—I think it was.

1851. Has it often happened that men have been placed in high judicial situations who had no previous knowledge of the laws they were to administer?—According to the system that prevails under the Madras presidency, no civil servant is allowed to be employed in the provinces that has not undergone an examination as to his knowledge of the laws and Regulations of the Government in every department, particularly the revenue and judicial; and it is supposed that before they quit the presidency they have a generally competent knowledge of the laws which come into practice in actual employment.

1852. Do not a very great variety of usages prevail in the different provinces?—A very great many. There are hardly two provinces alike with respect to their local usages: even in districts, or countries, if I may so say, in the same province, there are various customs.

1853. The effect of that, then, is to make it next to impossible to form any general compilation of law?—I should think so. A law providing for local usages and circumstances, I should suppose, would be preferable to a general law to be enforced, and to subvert the usages of the people.

1854. In what manner does the Judge ascertain the peculiar customs of the particular provinces?—By reference to the principal inhabitants of the country of the different castes whom the subject under discussion may affect. With respect to Brahmins, the principal Brahmins are called; with respect to Nairs, the Nairs are called; and with respect to Mopillas, who are Mohamedans and the descendants of Arabs, the principal men in their community are called.

1855. In short, the principal persons of each tribe or sect

16 Mar. 1830. are called to assist the Judge with their information and advice? —Exactly so.

T. Warden, Esq.

1856. Does the Judge generally think himself bound by the opinion given?—He is certainly required to do so by the Regulations.

1857. There is an appeal from the Judge to the Sudder Adawlut?—The appeal lies from the Zillah Judge to the Provincial Court, and from the Provincial Court to the Sudder Adawlut, or to the King's Supreme Court, at the respective presidencies.

1858. In administering the Mohamedan law, you consult the Mohamedan Judge?—We do; but in the province of Malabar there are certain families amongst the Mopillas who follow the rule of inheritance prevailing amongst the Nairs (Hindoos), which is through the female line; and therefore the courts are obliged to have recourse to the natives of the country to expound the law of custom.

1859. Have not the changes which the Regulations have introduced very much affected the Mohamedan law; altered it a good deal?—When the customs of the country are contrary to the Mohamedan law, the Mohamedan law is set aside altogether.

1860. Have those Regulations introduced much of the spirit of the English law into the administration of justice?—I think they have, with reference to the law of evidence, which, under the Mohamedan law, is in many instances contrary to natural justice.

1861. Are all questions of tenure and rights of land tried before the Collector, or many of them?—In the province of Malabar they generally come before the Judge; but disputes which arise with respect to the cultivation of land, or the collection of rents by the proprietor from his tenant, are in the first instance inquired into and determined by the Collector; and if the Collector's decision is unsatisfactory to either party, he may bring the case in a regular suit before the courts of justice.

1862. Do you know whether the salt tax was introduced for any particular object?—It was introduced, as far as I can understand, to cover the expences incident upon the judicial establishments. The salt monopoly of Malabar was introduced under my administration.

1863. The government have a monopoly there; no salt can be sold but by the government?—Just so.

1864. And that at a fixed price?—Yes; the salt warehouses are open to all purchasers at a fixed price. They are established in different parts of the country, so as to give a facility

to the inhabitants to purchase salt at the government price. Stipendiary servants are attached to them, who retail the salt. 16 Mar. 1830.

T. Warden, Esq.

1865. No salt can be sold by the manufacturer but to the government?—Just so; but a great proportion of the salt consumed in Malabar is foreign salt, which on importation is purchased by the government. It comes from Bombay and the Red Sea, and is preferable to that manufactured in the country.

1866. The government equally derive a profit from it?—Yes.

1867. And those profits are appropriated to the support of the judicial establishment?—That object originated in the salt monopoly under the Madras presidency.

1868. There exists a tobacco revenue in Malabar, does there not?—There does.

1869. Is that conducted in nearly the same manner?—Yes. But there is no monopoly of the betel-leaf in Malabar, which is an article of luxury in very general consumption throughout India. The trade in betel is free, and the cultivation of it is free, which I think is a great advantage to the inhabitants, and takes away much from the severity of this monopoly, as tobacco is generally eaten with betel.

1870. Does not there exist a species of slavery in the province of Malabar?—There does, and also in the adjoining province of Canara.

1871. Are they domestic slaves?—No; they are slaves of the soil; they are in fact a distinct caste of Hindoos; they are born slaves.

1872. Are they transferred with the soil?—They are transferred with the soil; and if the soil be overstocked, the surplus slaves are sold, or mortgaged, or let out on rent to neighbours.

1873. They are sold?—Yes; and leased out, exactly in the same way as lands; the tenures are nearly the same. There is a description or caste of people in Malabar in a more degraded state than the slaves, and yet they are free, and acknowledge no master whatever. They are almost in a state of nature. They will submit to no manual labour. They will guard the fields at night against the depredations of hogs, and elephants, and deer. But the race is nearly extinct. They are in a perfect state of freedom, but in a most wretched state of degradation. They are called Nâayady. Their degradation is so low that they cannot even approach the common slaves of the soil, of whom there are various and distinct tribes, called Chermar, Puller, Paniar, Koormar, and many others.

1874. Are the lives of the slaves protected?—Yes. The murder of a slave by a free-born subject has been met with

16 Mar. 1830. capital punishment. There is no exclusion of any of the inhabitants of the country from the protection and benefit of the laws. The Malabar slaves were not under such protection anterior to the British government; under the former government of the Rajahs the lord had the power over his slave of life and death.

T. Warden, Esq.

1875. Is the evidence of slaves received in courts of justice? —It is.

1876. Is that considered of equal weight with that of freemen?—It depends very much on the matters on which they are called; if they are called on matters in which the interest of their masters is concerned, their evidence is received with a good deal of caution; but, generally speaking, their evidence is as much, if not more to be relied on, than that of the common inhabitants of the country.

1877. Does the caution with which their evidence is received in the case of their masters being interested arise from their being supposed to be under the influence of their masters, or from their partiality for them?—From both. I should think a slave would be deterred sometimes from giving evidence against his master through fear of the consequences; and he would also be influenced at times to give undue evidence in favour of his master, where his master's interests were concerned; but in cases where the disputed property is situate in the hills and forests, the evidence of the local slaves is very material, because it is entirely on their evidence that boundaries in such remote situations, of which the proprietor can have no personal knowledge, are ascertained and adjusted. The forests and hills yield a variety of valuable productions, such as timber, bees-wax, honey, sticklac, gums, &c.

1878. Is there reason to think that in general they do feel much attached to their masters?—Undoubtedly. The daily allowance to a slave, that is, his subsistence, is established by the custom of the country; and if that is not given to him regularly, and he run away, the master would find great difficulty in recovering him. It is the duty as well as the interest of the master to see that the subsistence (called "wally") is regularly served out to his slave.

1879. Is the master bound to keep him in his old age?—Yes.

1880. Has the slave any resource if the master should neglect that duty?—The slave could apply to the courts of justice.

1881. They may be transferred from one soil to another?—Yes; but still their labour is entirely confined to the soil.

1882. There is a power in the courts to enforce a support by the master?—Undoubtedly, according to the custom of the

16 Mar. 1830.

T. Warden, Esq.

country. I may here add, that marriage prevails among one sect of slaves, in which case the male is of more value to the master than the female of that sect. In another sect, where marriage does not exist, the mother is of more value to the owner, because the children are all hers; and there is a sect in Canara, where I have understood the males belong to the owner of the father and the females to the owner of the mother. The marriage contract is made entirely between the parents of the respective parties, without any interference on the part of the masters.

1883. You state that by custom the master is obliged to support his slave; is there any law that commands him to do that?—I am not certain whether the Hindoo law does not provide for it.

1884. The court receives complaints, if they are not provided for?—I cannot call to recollection any case of the kind; but where a master has applied to the Collector for the recovery of his slave, the question arises, what has been the cause of desertion, before redress is given.

1885. In cases of impotency on the part of the slave, the master would not be likely to complain of desertion; what then would be the resource of the slave?—In cases of impotency slaves are supported by their children. The attachment between the father and mother and the offspring is very strong.

1886. Then they are dependent upon the affection of their family?—Certainly; but still the owner is obliged to maintain every one of his slaves, whether old or young.

1887. In case the master is unwilling to support his slave, what remedy has the slave to insure his support?—The only remedy that I am aware of is a court of justice, which would certainly require him to support his slave according to the custom of the country. The court would immediately ascertain what the law of the country was, and enforce the execution of it.

1888. By custom, you understand law?—Exactly; that is, common law.

1889. Has a master any power to separate the families of slaves?—In the instance I have already stated, where the stock is more than his own estate can employ, he has the power of disposing of the surplus to his neighbours.

1890. Is there any permission of the Magistrate required to effect that?—None whatever.

1891. Is the owner, then, the judge of the number of slaves he shall retain?—Entirely so.

1892. Is there any restriction as to the age at which the children may be separated from their mother?—There is. I think the restriction is from eight to ten years, but I am not certain as to the age.

16 Mar. 1830.

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T. Warden, Esq.

1893. Is a slave capable of being possessed of any property? —Within my knowledge there are families of slaves in one part of Malabar, belonging to the Zamorine, the principal rajah of Malabar, who possess property in land on Caânom (a mortgage tenure peculiar to Malabar), and who cultivate on their own account, pay the revenues of government themselves, and they pay also the dues of the proprietors of the land.

1894. Is that a general case?—That is the only instance which occurs immediately to my recollection.

1895. By the custom or law of the country, should you suppose a master to have power over any property a slave might possess?—I should think that the Zamorine rajah could exercise no power over the property of the slaves I have alluded to; that if he attempted to dispossess them, a suit at law would prevent the execution of his intentions.

1896. In the instance you have mentioned, to whom would the property descend upon the death of the slaves?—To their families. It is a single instance I am speaking of; it is the only one within my knowledge.

1897. There is no legal obstacle to its being the case in other parts?—I should imagine not.

1898. Has the master any power of punishment of his slave? —There is no punishment precisely provided for by the Regulations; but a simple chastisement would be overlooked by the Collector and by the court. Cruel treatment is punishable by the Regulations.

1899. Can you state at all nearly the proportion, in point of numbers, that the persons in a state of servitude, as well as the other class you have described to be in a very degraded state, bear to the population generally?—The population of Malabar, by a census made while it was under my administration in 1806 or 1807, amounted to 700,000 souls. By a late census, made about two or three years ago, I understand the returns make it out to be about 940,000 souls. I have not exact recollection as to the proportion which the slaves may bear to the general population, but I should think that they do not exceed five or six thousand families. But your Lordships' Committee may have accurate information on this point by reference to the census of the population, in which every caste is distinctly stated.

1900. Does that include the province of Canara?—No. The very degraded class to which I have referred, under the title of Nâayadies, as being nearly extinct, I compute may amount to less than fifty families.

1901. Can you state what circumstances led to their extinction?—No. The tradition of the country makes them out to be the aborigines of the country.

16 Mar. 1830.

T. Warden, Esq.

1902. The system of castes is more rigidly observed in Malabar than in other parts of India, is it not?—I imagine it may be.

1903. During your observation of the country, did the slave population, relatively to the rest, increase or diminish, or remain stationary?—They have, in my opinion, diminished. The Nâayadies, who are not slaves, have diminished in a greater proportion.

1904. Did any part of that diminution of slaves arise from voluntary manumission on the part of the masters?—Certainly not.

1905. Are the observations you have made on the subject of slavery confined to Malabar and Canara?—I should wish those observations to be applied exclusively to Malabar, as my knowledge of Canara does not extend to more than what may have been derived from the going there on circuit, and from the investigation of causes that have come before the Court of Appeal.

1906. Those slaves are exclusively employed in agriculture?—They are.

1907. What is the principal produce of the province of Malabar?—The slaves are principally employed on rice lands.

1908. Is that grown for the subsistence of the province itself, or is there a surplus produce for exportation?—For the province itself. The produce of the country, when the Company acquired Malabar, was not equal to its consumption; but when I left it the produce was equal to the internal demand.

1909. What are the other principal articles of produce in the province of Malabar?—Cocoa-nut, black pepper, areca or betel-nut, ginger, turmeric, arrow-root, wild cassia, the teak and various kinds of woods, cardamums, and various fruit trees.

1910. Is much sugar or coffee cultivated in Malabar?—Coffee is produced there very partially; but I should think that it is capable of being produced abundantly.

1911. Do you conceive the coffee is cultivated by slaves, or by the free population?—By the free population. The coffee will not grow in the rice fields on wet lands. It is grown for domestic use exclusively by the syeds, or Arab priests, in their private gardens. The natives of Malabar do not use coffee.

1912. Are you acquainted with the allowance or with the pay which is made to the slaves?—I have no immediate recollection of it; it is paid in the paddy in grain. With regard to slaves, I have further to add, there is a caste of them that are supposed to be versed in sorcery, and the inhabitants have a very great dread of them; they could levy a contribution from whole villages under this dread of their sorcery. Indeed the superstition of the country is so great, that neighbours very often resort to those slaves for the purpose of letting loose destruction amongst the cattle and families of those whom they have any hatred against.

16 Mar. 1830.

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T. Warden, Esq.

1913. Is there a certain proportion of produce allotted to them for their labour?—There is not, that I am aware of.

1914. Are there any native Christians in the province of Malabar?—There are.

1915. Under what laws do they live?—There are very few in Malabar, but there are great numbers of them in Mangalore in Canara; they are under the jurisdiction of the Archbishop of Goa. There is a college near Cochin, where the priests are educated in the Syriac.

1916. Are they Catholics?—There is a sect of them who are under the Syriac Church. Dr. Buchanan has written a full account of them.

1917. Are they in considerable numbers?—Yes, in Travancore.

1918. What description of salt is manufactured at Malabar?—Of a very bad kind indeed. Latterly there was no manufacture at all; it came entirely from Bombay.

1919. Is there any export of it to Bengal?—No; it is brought to Malabar for the consumption not only of Malabar but of the interior of the country above the Ghauts. The Bringaries, with their bullocks, come from the Mysore and the Mahratta country, and take away an immense quantity.

1920. Is any imported from Persia?—No; only from Mocha, in the Red Sea.

1921. Can you state the amount of duty?—There is no duty at all; it is purchased by the government.

1922. Can you state at what price it is manufactured at Malabar?—It is manufactured, probably, at ten rupees a garse, which is a Madras measure of 4,800 seirs, that is, 24*s.* for 4,800 lbs.

1923. Can you state the price of the salt to the consumer?—The retail is about 140*s.*

1924. About six hundred per cent.?—Yes, about that. In Bengal the retail price is four hundred per cent. higher than in Malabar.

1925. It is not refined in any way?—No. The salt that comes from Bombay is purer than that made in Malabar. The best salt is made on the Coromandel coast, which supplies Bengal.

1926. Do you know whether free export is allowed to Bengal?—Yes, but only on account of the government.

1927. Do not you consider salt peculiarly valuable, as an article of food, to persons living on a vegetable diet?—Undoubtedly.

1928. Would it not be a great advantage to the people of India if they could be supplied with it on cheaper terms than they now are?—It would. At the same time, the monopoly,

as it exists under Madras, appears to me as good a system of indirect taxation as could be laid on the people. 16 Mar. 1830.

T. Warden, Esq.

1929. Is not salt, in fact, almost the only sauce or kind of condiment that the natives have to eat with their rice in many parts of India?—The principal condiment they use is curry. Curry is a kind of sauce made of chillies and turmeric and pepper, with a little salt and garlick. Salted fish is much in use in the interior of the country; and in Malabar the fishermen were allowed, for the purpose of salting their fish, to take away every evening what was called the sweepings of the salt-pans, after the salt in the course of the day had been scraped off; and they had the liberty of doing that without paying any tax at all.

1930. Regarding, however, the consumption of salt rather with reference to the advantage of the people than as a source of revenue, have you any doubt that it would be expedient to put an end to the monopoly of it?—I have no doubt at all as to the expediency of putting an end to the monopoly, if revenue is excluded from the question altogether.

1931. Were you at Malabar before the monopoly of salt was introduced?—I was.

1932. Can you state the price of salt previous to the monopoly, as compared to it afterwards?—The price of salt in some years, particularly when much rain had fallen during the season of manufacture, and when the produce was entirely destroyed, had been known to reach beyond the retail monopoly price.

1933. How was it on the average of years?—On the average of years I should suppose the price of salt may have been at least three hundred per cent. less than the monopoly price, but I speak merely from conjecture.

1934. Do you know the price in any of the native provinces? —I do not.

1935. Do you know whether regular vessels were sent off to Bombay and Mocha for the salt that was imported from those places?—The salt is generally imported as ballast to the craft, and not as an article of commerce. The returns from the Malabar coast consisted of pepper, cocoa-nuts, the betel-nut, and piece goods manufactured in the interior of the country, which are brought to the Malabar coast for exportation; sandal-wood, also the produce of the interior provinces, *viz.* Coimbatore and Mysore; various kinds of dry grains, the cardamum spice, and bees-wax, and sapan-wood, which is a red dye; the wood itself yields the dye.

1936. Is any sugar grown on the Malwa coast?—None, as an article of commerce. I have seen it only in private gardens for private use. It is not a production of the country.

1937. Were you ever at Pondicherry?—I never was.

16 Mar. 1830.

T. Warden, Esq.

1938. Have you reason to think that in those parts of India which have fallen within your observation, and where either the English system of law has been introduced, or the English Regulations influence the administration of native laws, the value of property has risen?—Certainly, in the province of Malabar, where the land is private property. I think also that the security of the laws has had the effect of improving and increasing the mercantile class; they are under greater protection. Under the native government they were very liable, if they were known to possess property, to extortion and oppressive exactions.

1939. Under what sort of settlement was the province of Malabar?—The original settlement, made by Mr. Duncan, who came from Bengal, was with the rajahs and chieftains of the country. He made a settlement for five years. It was founded on Antud Beg Khan's Jamma, an officer under Tippoo's government. The arrangement with the rajahs failed; and the revenues of the country were afterwards administered by the Company's own servants. The settlements were made with the proprietors of the land, or the Kaanomkars (mortgagees), or, in fact, those who had the greatest interest in the soil.

1940. Is it a ryotwar settlement, or a village settlement?—It is a ryotwar settlement.

1941. Did you make that settlement in any instances whilst you were Collector?—The general settlement had been made previously to my time. The only subsequent duty to perform was to ascertain annually in whose names the revenue was registered in the village accounts, and to cause its collection by stipendiary servants.

1942. In any place in which you have been employed have you had occasion to make a ryotwar settlement?—No, I have not. The settlement that exists in Malabar I should call a permanent ryotwar settlement.

1943. How long has it existed there?—Ever since the Company's government. The revenue has never been materially altered, excepting the remission of the land tax on the pepper cultivation, the consequence of which has been that the value of landed property on the coast of Malabar is greater than I suppose in any other part of India, excepting, perhaps, the presidencies.

1944. Has much of the property changed hands within a certain time?—Not from the hereditary proprietors: their attachment to their hereditary property is almost vital; and although many receive only a nominal rent, there are very few instances of any proprietor selling his hereditary estates. A proportion of the property is in the hands of Kaanomkars, who are mortgagees, who have lent money to supply the necessities of the proprietors, and have taken mortgages upon their lands. These lands are for the most part in the hands of the mortgagees, but the mortgage is always redeemable; it is never foreclosed;

which is a very peculiar feature in the mortgage tenure called "kaânom" of Malabar. 16 Mar. 1830. T. Warden, Esq.

1945. They are, practically speaking, the possessors of the country?—They are, of the greater proportion.

1946. With them the arrangements were made after they failed with the rajahs?—In point of fact, the same system existed in the time of the rajahs. They had to collect the revenue from those tenants; but finding the tenants not very obedient,—finding they were turbulent and obstreperous, they were obliged to give up their charge. They could not fulfil their engagements.

1947. Are there any manufactures of any description in that district?—There are some weavers, who supply the common coarse clothing worn by the natives of the country.

1948. Has that business been at all affected by the importations of cotton from England?—Not the manufacture of cloths worn by the lower classes of the people; their clothing is very scanty; even the women (native Hindoos) have no clothing above the waist.

1949. Are there any number of wealthy persons in that country among the population you describe?—The Zamorine rajah is a wealthy prince; he is the descendant of the Zamorine stock that was found there on the arrival of the Portuguese.

1950. Are there any wealthy subjects?—There is much wealth among Mopilla merchants. The industry of the Mopilla character may be judged from the fact, that the most wealthy person on the coast of Malabar had arisen from a common pedlar or itinerant trader. He was a native of Tellicherry, which was ceded with Bombay to Great Britain.

1951. In what branch of commerce are those persons engaged?—All the productions of the province, particularly pepper. Pepper was the staple article of trade.

1952. To what place do they export it?—To Bengal, Bombay, and the Red Sea, and to Europe. Independently of the Mopilla merchants, there are Hindoo merchants called "Delalls," or brokers, on the coast, who act as intermediate agents between the merchants in Bombay, the Arabs, and the Mopillas. The Mopillas are the people who have immediate communication with the cultivators,—with the growers; and they sell to the exporters.

1953. It is through them that the produce of the province is chiefly collected and exported?—Yes, chiefly.

1954. Have they any monopoly of commerce?—None whatever; the trade is open; but from their exclusive intercourse with the interior of the country they have practically established a monopoly among themselves.

1955. Are there any agents on the part of the Company who collect the produce of the internal country?—None. The Company had a commercial agent in Tellicherry for the purpose of supplying their investments of pepper, but that has ceased many years.

16 Mar. 1830.

T. Warden, Esq.

1956. Do they grow cotton in the province of Malabar?—Hill-cotton, to a very limited extent; indeed there is no cotton land there.

1957. You stated that those who had property are principally Mohamedan merchants?—Yes.

1958. Are there no native Christians who have any wealth?—In Canara there are.

1959. What is the proportion of rent reserved to government in the Ryotwar settlement?—It is very variable, as it exists in Malabar. I should suppose it varies from five-tenths to eight-tenths of the proprietor's rent; not of the produce.

1960. Do you consider a half too great a proportion to accrue to the government?—Not of the proprietor's rent; half the produce I should think would be.

1961. You spoke of tenants; whom would you distinguish as the tenants, and whom as the proprietors?—The proprietors are the descendants of the ancient Jelmkars, whose rights are considered allodial. They either cultivate the lands at their own expense, or they lease them out to tenants, and mortgage them. There are tenants in mortgage, simple tenants, that is, tenants at will, and tenants on periodical leases; and in fact it depends entirely on the deed by which he holds the farm, under which he makes his agreement for the cultivation of the land with the proprietor.

1962. Do you consider the ryots as proprietors?—Certainly, if they have purchased the proprietary right. There are, I suppose, in Malabar, altogether, between thirty and forty thousand proprietors. The ancient families having divided their estates amongst different branches, the property of each has diminished of course into very small estates. The property is entailed; and, as the families increase, feuds arise, which occasion a division or separation of interests altogether; but no division of the family property can take place without the unanimous consent of heirs, male and female.

1963. So that the existing proprietors are very different classes?—Part of the existing proprietors are descendants of the ancient proprietors; others again are Mopillas, and different classes of the inhabitants of the country, who have acquired a proprietary right by purchase.

1964. The existence of this right has formed a subject of dispute?—The existence of the proprietary right was disputed at one time only by those who had never been in either Malabar or Canara; but I believe it is admitted now by every authority, with respect to Malabar and Canara; and indeed all along the western coast of the Peninsula, from Cape Comorin to Goa, there is no question about it.

The witness is directed to withdraw.

Sir ALEXANDER JOHNSTON is called in and examined as follows: 16 Mar. 1830.

Sir A. Johnston.

1965. You have filled various judicial situations in India, have you not?—On the island of Ceylon, from 1801 to 1805, I was his Majesty's Advocate Fiscal, a situation very similar to that of the Lord Advocate of Scotland. From 1805 to 1819 I filled the office of a member of His Majesty's Council, a Judge of the Supreme Court, and a Judge of the High Court of Appeal; for the last ten years of that period I filled the office of President of His Majesty's Council, Chief Justice of the Supreme Court, First Judge of the High Court of Appeal, and Judge of the Admiralty Court.

1966. Will you state the nature of the office you first held on going to Ceylon?—The principal part of the duty of the Advocate Fiscal, independent of that of his being the public prosecutor, is to advise His Majesty's government on all legislative measures, and on every legal point relative to the revenues of the Crown. In one or the other of the last four offices I have named, every case of any importance, either relative to natives or Europeans, or descendants of Europeans, or to suits connected with revenue or land, or with any part of the maritime jurisdiction of Ceylon, came before me, either in the first instance or in appeal.

1967. Will you state generally what you found to be the state of the administration of the law at Ceylon when you first went out as Advocate Fiscal, and the nature of the jurisdiction?—There was a Supreme Court, composed of a Chief and Puisne Justice, holding their situations under the great seal of Great Britain; a certain number of Provincial Courts, each composed of one or two of his Majesty's civil servants, holding their situations under an appointment from the local Governor; a high Court of Appeal, composed of the Chief and Puisne Justice, of the Governor, and of the Chief Secretary of Government. The jurisdiction of the Supreme Court was as follows:—Its civil jurisdiction was local and personal; its local jurisdiction extended to a certain limit; every person within that limit, whether native or European, was subject to its local jurisdiction: its personal jurisdiction applied to Europeans, or descendants of Europeans, in whatever part of the then British possessions they might be: its criminal jurisdiction extended over every person within the then British territories, native and European, and over every part of the then British territories. This jurisdiction (the criminal) was exercised by the court partly at sessions held at the principal place on the island called Columbo, and partly on circuit made throughout every part of the then British territories, before the year 1811 without a jury, since the year 1811 with a jury. The jurisdiction of the Provincial Courts was partly criminal and partly civil: the criminal to a small extent; the civil over every person within their respective limits to whom the jurisdiction of the

16 Mar. 1830.

Sir A. Johnston.

Supreme Court did not extend. The jurisdiction of the High Court of Appeal was entirely an appellate jurisdiction from the Provincial Courts; it heard every case of appeal from every Provincial Court in the island, provided the subject of appeal amounted to a certain sum. The jurisdiction of the Admiralty Court in Ceylon was nearly the same as the instance jurisdiction of the Admiralty Court in England, and extended all along the coasts of the island, a distance of about 930 miles. The population of Ceylon (my reason for explaining the nature of the population is, that the nature of the law which is administered in Ceylon depends upon the population amongst whom it is administered, and that the Court is bound to apply to each portion of the population the law which prevails amongst that population,) consists of about 500,000 persons, professing the Hindoo religion, and resembling, in almost every respect, the Hindoos upon the opposite peninsula of India; about 500,000 persons more, the Cingalese, professing the Budha religion, and having many customs and laws of their own; there is a population also of about seventy or eighty thousand Mohamedans, having laws of their own. The remaining part of the population are either English, Dutch, or Portuguese, or descendants from each of that class of Europeans. The Hindoo law, which applies to the first (the Hindoos), is very nearly the same as the Hindoo law that applies to the whole of the Hindoos who inhabit from Cape Comorin up to Madras. The Mohamedan law, which applies to the Mohamedans, is also very nearly the same as the Mohamedan law which applies to the whole of the Mohamedans descended from Arabs who inhabit between Cape Comorin and Bombay on the Malabar Coast, and between Cape Comorin and Calcutta along the Coromandel coast. The law which applies to the English, Dutch, and Portuguese, and to their descendants, is so much of the Dutch Roman law as has been adopted by his Majesty's instructions to the Governor, and by his Majesty's charters of justice. The Dutch Roman law is the Roman law in use in Holland, subject to the different modifications it has undergone by proclamations in Holland, and by proclamations in the different Dutch colonies.

1968. To what means have the courts recourse for the purpose of acquainting themselves with the principles of the different descriptions of law to be administered to the different classes of natives you have described?—In consequence of Ceylon, when first conquered by the British arms, having been placed under the East-India Company, and in consequence of the similarity between a considerable part of the population of that island and the population of the southern peninsula of India, the courts in Ceylon were frequently obliged to refer to the nature of the different institutions and of the different laws and manners of the different people who inhabit the southern Peninsula of India; and it was more particularly my duty, from the nature of the different situations which I held, to obtain the

most accurate information relative to them. It was for this reason that I, while on my way out from England to Ceylon in 1802, stopped for some time at Madras, in order that I might become acquainted with all the laws and institutions of the different people living under that presidency. It was for the same reason that in 1806, the Governor of Ceylon, wishing to revise the whole of the departments in that island, vested me with a commission to go round the British territories in Ceylon, and to obtain the most accurate information upon the subject; and that I, in 1808, proceeded from Cape Comorin to Madras and back again to Ceylon, for the purpose of examining the institutions in the Peninsula of India; and after having made a comparison between the institutions in the Peninsula of India and the institutions under His Majesty's Government in Ceylon, came to England in 1809, and conferred upon the subject of the necessary alteration with the late Lord Londonderry, who was at that time Secretary of State for the Colonies, and proposed to him, under the sanction of the Governor and Council of Ceylon, of which I was a member at the time, such alterations as had been deemed advisable. It was for the same reason that I, in 1816 and 1817, after having come back from England to Ceylon, with the different alterations in the Ceylon administration of justice that had been made in England during my mission to that country, and after having remained six years on the island, thought it my duty, intending to return to England in 1818, in consequence of leave obtained from His Majesty's Ministers to do so, to make a second journey to the Peninsula of India, for the purpose of again investigating the nature of the institutions, laws, customs, and manners of the people in that Peninsula; in order that I might, when in England, be enabled, if it were thought necessary, to complete, from the collections which I had made of Hindoo, Mahomedan, and Bhuddist laws, such a code as might be deemed applicable to the different classes of people under the government of Ceylon. It was for the same reason that I, in consequence of inquiries made from me by Mr. Wynn, when President of the Board of Controul, as to the applicability of the Ceylon system of jury trial to the natives of India, considered fully the nature of their institutions, and wrote a letter in 1825 to Mr. Wynn, upon which he told me he had determined to bring in the Act of Parliament, in the year 1826, extending the right of sitting on juries to natives under the jurisdiction of the Supreme Courts in India. It was for the same reason that, in 1827, my attention was again called to the subject of the administration of justice among the natives of India, by one of my friends asking me to propose some plan by which the Indian appeals that had come home and were in arrear might be brought before the Court of Appeal and decided, and all arrear in such cases of appeal prevented for the future;—that I, as this arrear principally arose from the ignorance of the people of India of the

16 Mar. 1830.

Sir A. Johnston.

16 Mar. 1830.

Sir A. Johnston.

mode in which they ought to employ persons in this country to bring their cases before the King in Council, gave in the plan to His Majesty's Ministers and to the Board of Controul which is in some measure the cause of the arrangement that is now making for the purpose of bringing forward those different cases before the Privy Council; – and that I, with a reference to the same subject, in consequence of a conversation between the Master of the Rolls and myself, as to the policy of uniting the Judges of the Supreme Courts in India with the Judges of the Sudder Adawluts, gave him a statement of my reasons for thinking that it ought to be done, and that it would prevent many of the difficulties that had occurred in the arrangement about the cases that came from the Sudder Adawluts before the King in Council. It was for the same reason that my attention was again called to the subject of Indian judicature, in consequence of my hearing some time ago, from persons who had been engaged in trade to India, what I knew to be the case, that it would be a great convenience to traders in India to have an efficient maritime jurisdiction at central ports, between Cape Comorin along the coast of Malabar, to Bombay, and between Cape Comorin along the coast of Coromandel to Calcutta; and that I sent in a paper upon the subject to the First Lord of the Admiralty; and finally, it was for the same reason that my attention was again called to the subject of the natives of India by the circumstance that Lord William Bentinck, from his understanding that a plan had been adopted by me in Ceylon for making collections of Hindoo and Mohamedan law, and that it had been useful, requested me to give him a memorandum, that he might carry the same plan, if applicable, into effect, when he went over as Governor-general of Bengal; and that I sent such a memorandum to Lord William Bentinck, and I gave a copy of it to the present Chairman of the Directors. I have stated all these circumstances to shew the sources from which, and the occasions on which, in consequence of the offices I held in Ceylon, I have derived any information I may possess upon the subject of Indian judicature, to which the questions of the Committee may refer; conceiving that it would be presumption in me to give any opinion as to the applicability of any institution in Ceylon to the Company's Establishments, unless my attention had been called to the subject of India by the different circumstances to which I have alluded.

1969. Independently of the information thus acquired on the continent of India, were there to be found in Ceylon itself competent authorities for assisting the courts in the administration of the different branches of native law?—I should say there were certainly some competent authorities amongst the natives; competent as to the knowledge they possessed, but perfectly incompetent as to character, provided their opinion was to be taken in cases of great amount or great importance at the time those cases were before the court.

16 Mar. 1830.

Sir A. Johnston.

1970. You have stated that the result of your inquiries as to the state of the native law in India was the introduction of the trial by jury in the island of Ceylon; did you find any traces of that system of trial in any system of law formerly acknowledged by the natives themselves?—I certainly did find in Ceylon traces, not of a jury system, but traces of the people of the country having been called upon by the representatives of the sovereign of the country to give their opinion upon questions of fact, and upon the weight due to evidence, under the name of Punchayets.

1971. Do you conceive that custom to have been sufficiently in force to prepare the minds of the natives, in a greater degree than they otherwise would have been, for the reception of our system of trial by jury?—I should say yes; that and the system of arbitrations which they had had amongst them.

1972. Will you describe the mode by which the trial by jury was introduced in Ceylon, and the mode in which it is now administered there?—I stated all the circumstances in a letter I wrote in 1825 to Mr. Wynn, at his request, previous to his proposing the Act of 1826, which I beg to give in.

[*The same is delivered in and read, and is as follows:*]

"Dear Sir, 26 May 1825.

"I have the pleasure, at your request, to give you an account of the plan I adopted, while Chief Justice and First Member of His Majesty's Council in Ceylon, for introducing trial by jury into that island, and for extending the right of sitting upon juries to every half-caste native, as well as to every other native of the country, to whatever caste or religious persuasion he might belong. I shall explain to you the reasons which induced me to propose this plan, the mode in which it was carried into effect, and the consequences with which its adoption has been attended. The complaints against the former system for administering justice in Ceylon were that it was dilatory, expensive, and unpopular. The defects of that system arose from the little value which the natives of the country attached to a character for veracity; from the total want of interest which they manifested for a system in the administration of which they themselves had no share; from the difficulty which European Judges, who were not only judges of law, but also judges of fact, experienced in ascertaining the degree of credit which they ought to give to native testimony; and, finally, from the delay in the proceedings of the court, which were productive of great inconvenience to the witnesses who attended the sessions, and great expense to the government, which defrayed their costs. The obvious way of remedying these evils in the system of administering justice was, first, to give the natives a direct interest in that system, by imparting to them a considerable share in its administration; secondly, to give them a proper value for a character for veracity, by making such a character the condition upon which they were to look for respect from their countrymen, and that from which they were to hope for promotion in the service of their government; thirdly, to make the natives themselves, who, from their knowledge of their countrymen, can decide at once upon the degree of credit which ought to be given to native testimony, judges of fact, and thereby shorten the duration of trials, relieve witnesses from a pro-

16 Mar. 1830. — Sir A. Johnston.

tracted attendance on the courts, and materially diminish the expense of the government. The introduction of trial by jury into Ceylon, and the extension of the right of sitting upon juries to every native of the island, under certain modifications, seemed to me the most advisable method of attaining these objects. Having consulted the chief priests of the Budhoo religion in as far as the Cingalese in the southern part of the island, and the Brahmins of Remissuram, Madura, and Infua, in as far as the Hindoos of the northern part of the island were concerned, I submitted my plan for the introduction of trial by jury into Ceylon to the Governor and Council of that island. Sir. T. Maitland, the then Governor of the island, and the other members of the Council, thinking the adoption of my plan an object of great importance to the prosperity of the island, and fearing lest objections might be urged against it in England from the novelty of the measure, no such rights as those which I proposed to grant to the natives of Ceylon ever having been granted to any native of India, sent me, officially, as First Member of the Council, to England, with full authority to urge, in the strongest manner, the adoption of the measure, under such modifications as his Majesty's Ministers might, on my representations, deem expedient. After the question had been maturely considered in England, a charter passed the Great Seal extending the right of sitting upon juries in criminal cases to every native of Ceylon, in the manner in which I had proposed; and on my return to Ceylon with this charter in November 1811, its provisions were immediately carried into effect by me. In order to enable you to form some idea of the manner in which the jury trial is introduced amongst the natives and half-castes of Ceylon, I shall explain to you, first, what qualifies a native of Ceylon to be a juryman; secondly, how the jurymen are summoned at each session; thirdly, how they are chosen at each trial; and, fourthly, how they receive the evidence and deliver their verdict. Every native of Ceylon, provided he be a freeman, has attained the age of twenty-one, and is a permanent resident in the island, is qualified to sit on juries. The Fiscal or Sheriff of the province, as soon as a criminal session is fixed for his province, summonses a considerable number of jurymen of each caste, taking particular care that no juryman is summoned out of his turn, or so as to interfere with any agricultural or manufacturing pursuits in which he may be occupied, or with any religious ceremony at which his caste may require his attendance. On the first day of the session the names of all the jurymen who are summoned are called over; and the jurymen, as well as all the magistrates and police officers, attend in court, and hear the charge delivered by the Judge. The prisoners are then arraigned. Every prisoner has a right to be tried by thirteen jurymen of his own caste, unless some reason why the prisoner should not be tried by jurymen of his own caste can be urged to the satisfaction of the court by the Advocate Fiscal, who in Ceylon holds an office very nearly similar to that held in Scotland by the Lord Advocate; or unless the prisoner himself, from believing people of his own caste to be prejudiced against him, should apply to be tried either by thirteen jurymen of another caste, or by a jury composed of half-castes or Europeans. As soon as it is decided of what caste the jury is to be composed, the Register of the court puts into an urn, which stands in a conspicuous part of the court, a very considerable number of the names of jurymen of that caste out of which the jury is to be formed. He continues to draw the names out of the urn, the prisoner having a right to object to five peremptorily, and to any number for

cause, until he has drawn the names of thirteen jurymen who have not been objected to. These thirteen jurymen are then sworn, according to the form of their respective religions, to decide upon the case according to the evidence and without partiality. The Advocate Fiscal then opens the case for the prosecution (through an interpreter, if necessary,) to the jury, and proceeds to call all the witnesses for the prosecution, whose evidence is taken down through an interpreter, if necessary, in the hearing of the jury by the Judge; the jury having a right to examine and the prisoner to cross-examine any of the above witnesses. When the case for the prosecution is closed, the prisoner states what he has to urge in his defence, and calls his witnesses; the jury having a right to examine and the prosecutor to cross-examine them. Their evidence being taken down by the Judge, the prosecutor is seldom or never, except in very particular cases, allowed to reply, or call any witnesses in reply. The case for the prosecution and for the prisoner being closed, the Judge, (through an interpreter, when necessary) recapitulates the evidence to the jury from his notes, adding such observations from himself as may occur to him on the occasion. The jury, after deliberating upon the case, either in the jury-box, or, if they wish to retire, in a room close to the court, deliver their verdict through their foreman in open court, that verdict being the opinion of the majority of them; the most scrupulous care being taken that the jury never separate, nor communicate with any person whatever, from the moment they are sworn till their verdict, having been delivered as aforesaid, has been publicly recorded by the Register. The number of native jurymen of every caste in Ceylon is so great, that a knowledge beforehand what persons are to compose a jury in any particular case is so uncertain that it is almost impossible for any person, whatever may be his influence in the country, either to bias or to corrupt a jury. The number of jurymen that are returned by the Fiscal or Sheriff to serve at each session, the impartial manner in which the names of the jurymen are drawn, the right which the prisoner and prosecutor may exercise, of objecting to each juryman as his name is drawn, the strictness which is observed by the court in preventing all communication between the jurymen, when they are once sworn, and every other person, till they have delivered their verdict, give great weight to their decision. The native jurymen being now judges of fact, and the European Judges only judges of law, one European Judge only is now necessary, where formerly, when they were judges both of law and fact, two, or sometimes three, were necessary. The native jurymen, from knowing the different degrees of weight which may safely be given to the testimony of their countrymen, decide upon questions of fact with so much more promptitude than Europeans could do, that since the introduction of trial by jury no trial lasts above a day, and no session above a week or ten days at the furthest; whereas, before the introduction of trial by jury, a single trial used sometimes to last six weeks or two months, and a single session not unfrequently for three months. All the natives who attend the courts as jurymen obtain so much information during their attendance, relative to the modes of proceeding and the rules of evidence, that, since the establishment of jury trial, Government have been enabled to find amongst the half-castes and native jurymen some of the most efficient and respectable native magistrates in the country, who, under the control of the Supreme Court, at little or no expense to government, administer justice in inferior offences to the native inhabitants. The introduction of the trial by native

16 Mar. 1830.

Sir A. Johnston.

16 Mar. 1830.

Sir *A. Johnston.*

juries, at the same time that it has increased the efficiency and dispatch of the courts, and has relieved both prisoners and witnesses from the hardships which they incurred from the protracted delay of the criminal sessions, has, independent of the savings it enabled the Ceylon Government an opportunity of carrying into effect in the judicial department of the island, a plan for the permanent saving of £10,000 a year, as appeared by my report quoted in page 8 of the printed collection of papers herewith sent. No man whose character for honesty or veracity is impeached can be enrolled on the list of jurymen. The circumstance of a man's name being upon the jury roll is a proof of his being a man of unexceptionable character, and is that to which he appeals in case his character be attacked in a court of justice, or in case he solicits his government for promotion in their service. As the rolls of jurymen are revised by the Supreme Court at every session, they operate as a most powerful engine in making the people of the country more attentive than they used to be in their adherence to truth. The right of sitting upon juries has given the natives of Ceylon a value for character which they never felt before, and has raised in a very remarkable manner the standard of their moral feeling. All the natives of Ceylon who are enrolled as jurymen conceive themselves to be as much a part as the European Judges themselves are of the government of their country, and therefore feel, since they have possessed the right of sitting upon juries, an interest which they never felt before in upholding the British government of Ceylon. The beneficial consequence of this feeling is strongly exemplified in the difference between the conduct which the native inhabitants of the British settlements in Ceylon observed in the Kandian war of 1803, and that which they observed in the Kandian war of 1816. In the war between the British and Kandian government of 1803, which was before the introduction of trial by jury, the native inhabitants of the British settlements were for the most part in a state of rebellion; in the war between the same governments in 1816, which was five years after the introduction of trial by jury, the inabitants of the British settlements, so far from showing the smallest symptom of dissatisfaction, took, during the very heat of the war, the opportunity of my return to England to express their gratitude, through me, to the British government, for the valuable rights of sitting upon juries which had been conferred upon them by His present Majesty, as appears by the addresses contained from page 16 to page 50 in the printed papers herewith sent. The charge delivered by my successor, the present Chief Justice of the island, in 1820, contains the strongest additional testimony which could be afforded of the beneficial effects which were experienced by the British government from the introduction of trial by jury amongst the natives of the island. See that charge in pages 289 and 290 of Vol. X. of the *Asiatic Journal.* As every native juryman, whatever his caste or religion may be, or in whatever part of the country he may reside, appears before the Supreme Court once at least every two years, and as the Judge who presides delivers a charge at the opening of each session to all the jurymen who are in attendance on the court, a useful opportunity is afforded to the natives of the country, by the introduction of trial by jury, not only of participating themselves in the administration of justice, but also of hearing any observations which the Judges in delivering their charge may think proper to make to them, with respect to any subject which is connected either with the administration of justice or with the state of society or morals in any part of the country. The difference between

16 Mar. 1830.

Sir A. Johnston.

the conduct which was observed by all the proprietors of slaves in Ceylon in 1806, which was before the introduction of trial by jury, and that which was observed by them in 1816, which was five years after the introduction of trial by jury, is a strong proof of the change which may be brought about in public opinion by the Judges availing themselves of the opportunity which their charging the jury on the first day of session affords them of circulating amongst the natives of the country such opinions as may promote the welfare of any particular class of society. As the right of every proprietor of slaves to continue to hold slaves in Ceylon was guaranteed to him by the capitulation under which the Dutch possessions had been surrendered to the British arms in 1795, the British Government of Ceylon conceived that, however desirable the measure might be, they had not a right to abolish slavery in Ceylon by any legislative act. A proposition was however made on the part of government by me to the proprietors of slaves in 1806, before trial by jury was introduced, urging them to adopt some plan of their own accord for the gradual abolition of slavery. This proposition they at that time unanimously rejected. The right of sitting upon juries was granted to the inhabitants of Ceylon in 1811. From that period I availed myself of the opportunities which were afforded to me, when I delivered my charge at the commencement of each session to the jurymen, most of whom were considerable proprietors of slaves, of informing them what was doing in England upon the subject of the abolition of slavery, and of pointing out to them the difficulties which they themselves must frequently experience in executing with impartiality their duties as jurymen, in all cases in which slaves were concerned. A change of opinion upon the subject of slavery was gradually perceptible amongst them; and in the year 1816 the proprietors of slaves, of all castes and religious persuasions in Ceylon, sent me their unanimous resolutions, to be publicly recorded in court; declaring free all children born of their slaves after the 12th of August 1816, which in the course of a very few years must put an end to the state of slavery which had subsisted in Ceylon for more than three centuries.

(See pages 15 and 16 of the 11th Report of the Directors of the African Institution, and from page 93 to page 100 of the Appendix to that Report.)

One great object which I had in view in proposing the introduction of trial by jury into Ceylon was to increase the value for character amongst the natives of the country, and to increase their attachment to the British government, by making them feel that they had a share in the administration of justice. If your Lordships consider the mode in which the lists of persons qualified to act as jurymen were made up in each province, you will perceive the effect that such lists must have amongst the natives in attaining both those objects. The mode is this: I directed the head of every province to make out a correct list of every man in the province who had attained the age of twenty-one, who was a freeman, who was permanently resident on the island, and a man of respectable character. When this list was returned to me, for fear of any partiality in the making out of it, I sent it back for the public inspection of the people of the district,

16 Mar. 1830. — *Sir A. Johnston.*

for a certain time, in every subdivision of the district; informing every man in the district that it was his duty to correct any mistake that had been made in that list. When the list came back to me, after having undergone this public examination, and not before, I ordered it to be fixed up in the public court-house in each province, and considered as the only list from which, in future, jurors should be called by rotation to serve at each session. A certain number of days before the court held a session, public notice was issued, that if since the making out of the list any one of the persons whose name appeared upon the list had committed any act by which he had forfeited his good character, or had disqualified himself from having his name continued on the list, it was the duty of his countrymen to come forward and state the fact to the court before the session was opened. If any such fact was stated, the man against whom it was stated had a right to demand an immediate trial by jury as to whether the fact alleged against him were true or not. If it were proved to be true, his name was immediately struck off the public list in public court; if it was not proved, and the charge appeared to have been malicious, he had a right immediately to prosecute the man who had made the accusation against him, and to have him tried before a jury, and if found guilty punished. The effect of this sort of proceeding was, that no man but such a one as was reckoned by the persons of his district a man of high character ever had his name retained upon that list. The people of the country therefore attached great value to their names being upon these lists, for many reasons; first, from this circumstance itself, of their names being upon the list, publicly announcing to the whole of the district that they were conceived in the district to be persons of high character and respectability; secondly, because it gave them an opportunity of shewing their talents in public as jurymen, in the defence of the lives, the liberties, and the property of their countrymen, and was thereby the means of rendering them an object not only of popularity but of admiration amongst their countrymen. They also attached value to it, because it gave them an opportunity of displaying in public their knowledge of the laws, the customs, and the manners of their fellow-countrymen; and by thus calling the attention of Government to their talents, was a certain mode, if they were distinguished, of inducing the government to give them an appointment. They also attached value to it because it increased the value of a good education. In consequence of the superiority which a good education gave them as jurymen, they not only educated themselves, if their education had been deficient, but they took particular care to have their children and friends well educated. Upon these grounds I conceive that the admission of the natives of Ceylon to act as jurymen is a most powerful engine for raising the value of character amongst them, and that it applies to every part of India just as well as it does to Ceylon.

16 Mar. 1830.

Sir A. Johnston.

1973. Did you observe any greater aptitude in any one sect than in another, of those of whom the Cingalese population is composed, for serving on juries or exercising other civil functions?—No; the aptitude was not confined to any particular sect.

1974. Is the degree of knowledge equally diffused among the Mohamedan, Hindoo, and Bhuddist population?—Very nearly.

1975. Does it appear to you to be equally diffused in Ceylon and the other parts of India among the same description of persons?—I should say, generally speaking, that knowledge is more diffused in the Peninsula of India than it is in the island of Ceylon.

1976. You conceive then that there can be no deficiency, either in character or information, attaching to the natives of any parts of the Peninsula which does not equally attach to the natives of Ceylon, disqualifying them from exercising those functions?—I certainly think not; and I take the liberty to refer your Lordships to an opinion of importance in confirmation of what I say, which is the opinion of the late Sir Thomas Munro upon the subject. In consequence of the introduction of trial by jury amongst the natives of Ceylon, Sir Thomas Munro expressed a wish to see me upon the subject; and I met him in the beginning of the year 1817, and explained to him every thing that had passed upon the subject in Ceylon. He told me that he had long been convinced of the aptitude of the natives for such an institution; that he was delighted to find that it had succeeded in Ceylon, because he thought it would have a good effect in making people see that the natives were capable of executing such an institution; that he should, when he had the power of doing it, endeavour to carry the same measure into effect throughout India; and he advised me, if I could, while I was in England, to prepare the minds of persons connected with India for that event. It was principally in consequence of this opinion, in addition to my own observation, that I felt perfectly confident, at the time I wrote the letter of 1825 to Mr. Wynn, that he might safely apply the principle of the Ceylon jury trial to India. In confirmation of this opinion I have found, in the Life of Sir Thomas Munro, which is lately published, a letter from him to the late Marquis of Hastings, in which he distinctly mentions his conviction that native juries should try facts in criminal cases. I have also heard that Sir Thomas Munro, having determined, shortly before his death, to try the experiment, even upon a much more extensive scale than had been done by Mr. Wynn in the Act of 1826, had actually determined to extend the system of trial by jury to a considerable portion of the Madras terrritories; and that his successor in the government of Madras, knowing his determination upon the subject, and conceiving it of importance to the country that that determination should be carried into effect, did carry it into effect very soon after his death, by a Regulation which I have in my hand, and to which I beg leave to refer.

16 Mar. 1830. — Sir A. Johnston.

I believe the Regulation has since been altered. It appears to me that upon a point of this sort Sir Thomas Munro's opinion is of great value, from the perfect knowledge which he possessed of the native character; and that the strongest proof one can have of his conviction upon the subject, and that of his successor, is to be found in the Regulation to which I have alluded, and which is, I perceive, among the printed papers now before your Lordships' Committee.

1977. Are you aware whether any other steps have been taken of the same nature in the other presidencies?—I hear that steps for carrying the trial by jury gradually into effect have been taken at Bombay, but I am not certain of the fact.

1978. Will you state whether the favourable feeling of the natives towards the introduction of that system existed from its commencement in Ceylon, or whether they have only become favourable from experiencing its benefits practically?—I thought that their feelings were highly flattered from the very first, when they heard that they were to be vested with the right of sitting upon juries. I remained upon the island seven years after the introduction of jury trial, and I was perfectly convinced of its great popularity, and the beneficial effects it had produced in every instance, both upon their understandings and upon their moral and political feelings; and I beg to refer to an opinion that may be considered as less prejudiced in its favour than my own, for the corroboration of my opinion upon the subject; it is the opinion of my successor, the late Sir Harding Gifford, which I beg leave to put in. It is contained in a charge delivered by him on taking possession of his office of Chief Justice, of the authenticity of which I have no doubt.

[*The same was delivered in, and read; and is as follows:*]

EXTRACT from the Charge delivered by Sir Harding Gifford, the Chief Justice and First Member of H. M. Council at Ceylon in 1820, on his taking possession of his office, after the resignation of Sir Alexander Johnston.

"But there is one feature of the history of offences for the last two years so remarkable that it cannot without injustice to the people be overlooked.

"It has been my duty to examine the criminal calendars of that period, with a view to inform myself of the state of offences generally; and I have been both surprised and gratified to observe, that during this interval, an interval marked by violence and convulsion in the interior, there does not appear to have occurred in our maritime provinces a single instance of even a charge of turbulence, sedition, or treason, or of any offence bearing the slightest tinge of a political character. It is too well recorded, and is within the personal knowledge of some of yourselves, that during the Kandian war of 1803, the revolt of some of our maritime districts added in no slight degree to the difficulties of that melancholy period. To what are we to attribute so remarkable a change? Certainly not to the superior character of the government. In mildness and benevolence, Mr. North's

administration was assuredly not exceeded by that of any of his successors. But, gentlemen, let us ascribe it to the true causes; to the long and steady experience of the blessings of a government administered on British principles, and, above all, to the introduction of trial by jury.

16 Mar. 1830.

Sir A. Johnston.

"To this happy system, now (I may venture to say) deeply cherished in the affections of the people, and revered as much as any of their own oldest and dearest institutions, I do confidently ascribe this pleasing alteration; and it may be boldly asserted, that while it continues to be administered with firmness and integrity, the British government will hold an interest in the hearts of its Cingalese subjects which the Portuguese and Dutch possessors of this island were never able to establish.

"It may appear, and with justice, that I indulge some degree of personal gratification in referring to this subject, when I tell you, that in a report made to the government of Ceylon in June 1817, by the Advocate Fiscal of that period, there is contained an observation which shews that this feeling is not new, and we know how fully it has been justified by subsequent events. In that document it is said, that 'amongst the inhabitants of the maritime provinces, I know the jury system to be already' (this was in the seventh year of its operation) 'a favorite. The wisdom of the Supreme Court has most happily adapted it even to their prejudices, so that they had actually begun to feel attachment to it on that account, even before they were aware of all its advantages.'

"And the report adds, 'armies may waste away from climate or disease, and seasons and circumstances may baffle the utmost exercise of human foresight; but, fixed on the attachment of the people to our jurisprudence, I look upon the security of the British interests in' (the maritime provinces of) 'Ceylon to be impregnable.'

"And can we, gentlemen, with these pleasing results before us, omit to render our tribute of recollection to the learned Judges by whose zeal and ability this system has been put so happily into operation?

"Of one of them, holding, as he still does, that station in society so well merited by his talents and services, it would be difficult in me, without indelicacy, to offer more than that tribute which it would be injustice to withhold. To his perfect knowledge of the native habits and character, and his extensive acquaintance with their institutes, it was owing that the jury system was thus so skilfully adapted even to their prejudices, and so deeply rooted in their affections as to have had the consequence in which we now rejoice."*

1979. How long was it before that system of trial came to be so well understood as to work without difficulty?—I found it work with ease the second session after it was established.

1980. You consider, then, that the natives, upon the whole,

* "The Honourable Sir Alexander Johnston, the late Chief Justice and first member of His Majesty's Council, at whose recommendation, and according to whose plan, the trial by jury was introduced into Ceylon, in November 1811, and the right of sitting upon juries, instead of being confined, as it is in other parts of India, to Europeans, was extended, under some modifications, to every native upon the island, the effects of which are to make the natives themselves participate in the administration of justice amongst their own countrymen."

16 Mar. 1830.

Sir A. Johnston.

shewed very great aptitude for the duties they had to execute?—Perfectly; there appeared to be no difficulty at all. I had previously called meetings of them in different parts of the island, and explained to them the nature of the institution, and caused to be translated for their use a portion of an old work current in this country about an hundred years ago, and which, from being written in question and answer, I thought applicable to their mode of considering subjects of this sort. It is called, I think, "The Sheriff and Juryman," but I am not quite certain as to its title. It was circulated, and I believe tended to make the measure popular in the first instance.

1981. Are you of opinion that a reduction of the native laws and usages into a more clear and compendious form is practicable, without giving any dissatisfaction to any part of the native population?—I believe it would be extremely popular, and perfectly practicable.

1982. Do you mean that it is so, by attempting to consolidate the whole into one general code, or by preserving the features of each particular system in so many separate though short codes of law?—I believe that there ought to be a Regulation containing what, after consultation with the Hindoos themselves, may be deemed the present Hindoo law; and that the same ought to be done for the Mohamedans. I beg leave to add, that this ought to be done in consultation with the Hindoos and the Mohamedans themselves; because that is the means of making the measure popular amongst them, and really applicable to the present times.

1983. Can you state what was the proportion of the slave population in Ceylon when you went there?—The proportion of domestic slaves was never, I believe, very accurately ascertained. The necessity to ascertain it was latterly not great, in consequence of the resolution passed by the slave proprietors, that all children born of their slaves after the 12th of August 1816 should be considered as born free; but I should think it might be ascertained without difficulty.

1984. Were those slaves entirely of a domestic description?—Those to whom the resolution I have just mentioned applied were domestic slaves principally. There are also in Ceylon what are called slave castes, very similar to the slaves of the glebe in Russia and in other parts of the north of Europe.

1985. The Regulation which conferred this benefit on the persons of the children born in slavery after the 12th August 1816 applied only to those in a domestic state of slavery?—It applied not to the slave castes, but to the slaves who did not belong to those castes. A considerable portion of those slaves, though called domestic slaves, may have been worked in gardens, and may also have been worked in fields.

1986. Was the Regulation, by which the children of slaves born after the year 1816 were to be free, adopted by the

voluntary act of the persons who would have been entitled to their servitude?—By the voluntary act of all those persons, Christians, Hindoos, Mohamedans, and Cingalese. They at the time were, every one of them, upon the list of jurors. 16 Mar. 1830. Sir A. Johnston.

1987. You connect, then, the circumstance of their coming to this resolution with the experience they had acquired in their character of jurors?—I firmly believe that it had a very decided effect upon them.

1988. There was no great division of opinion about it at the time it was adopted among themselves?—I believe none. They informed me of their intentions to do so.

1989. Was it in consequence of a recommendation from government?—There was no recommendation from government on the subject.

1990. With whom did it originate?—If alluding to the subject from the bench at the commencement of different sessions can be said to have given rise to it, it originated with me; but I do not mean to say that my suggesting to them what I often did had any more influence upon them than to confirm them in the opinion that it would be a proper act, and that it would render them in the eyes of the court and in those of their countrymen more impartial jurymen.

1991. In what language were the proceedings of the courts carried on in Ceylon?—They were carried on in the language of the jury that were sworn to try the fact, as detailed in my letter to Mr. Wynn.

1992. Supposing a Regulation to be attempted, consolidating the different cases of native law, would it not be necessary to authenticate it in all the languages in which native law is now administered in India?—Certainly; it ought to be translated into every one of the languages in use amongst the natives for whom it is intended. The Hindoos in the Peninsula of India either speak Tamul or Telogoo, or Mayalim, or Canarese, according to the particular districts in which they live. The Hindoos in Bengal also, I believe, speak a variety of different languages.

1993. What is the language of Hindoos in the island of Ceylon?—Tamul; the same as the generality of the Hindoos on the coast of Coromandel.

1994. In what degree is the Persian generally understood, both in Ceylon and on the Continent of India?—In the Peninsula of India the Persian is by no means, I believe, generally understood amongst the common Hindoos of the country. The common languages of the Hindoos of the Peninsula of India are the Tamul, the Telogoo, the Mayalim, and the Canarese.

1995. Does the Persian possess any advantages, as a language, for the administration of the law?—I am not aware of any.

The witness is directed to withdraw.

Ordered, That this Committee be adjourned to Friday next, one o'clock.

APPENDIX

TO THE

EVIDENCE OF JAMES C. MELVILL, Esq.

No. I.

ACCOUNT of the GROSS and NET PRODUCE of the REVENUES of BENGAL, MADRAS, and BOMBAY, combined, and the GROSS and NET CHARGES defrayed out of those REVENUES, from the Year 1823-4 to 1827-8, and as estimated for 1828-9.

PRINCIPAL HEADS OF REVENUE.	1823-24.	1824-25.	1825-26.	1826-27.	1827-28.	Estimate 1828-29.
	£.	£.	£.	£.	£.	£.
Land Revenue, Sayer, and Abkaree; Peshcush, Subsidy, and Tobacco	15,110,517	14,545,158	15,400,104	15,565,404	15,384,528	15,641,011
Charges	*4,409,040	3,198,826	3,262,673	3,277,866	3,645,830	3,637,381
Net Produce	10,701,477	11,346,332	12,137,431	12,287,538	11,738,698	12,003,630
Customs	1,582,576	1,634,406	1,661,460	1,702,593	1,793,044	1,859,121
Charges	228,989	230,517	242,994	232,985	227,774	217,464
Net Produce	1,353,587	1,403,889	1,418,466	1,469,608	1,565,270	1,641,657

Salt	2,593,808	2,450,726	2,515,570	2,522,767	2,748,404	2,671,732
Charges	800,104	874,713	659,962	782,185	912,002	852,270
Net Produce	1,793,704	1,576,013	1,855,608	1,740,582	1,836,402	1,819,462
Opium	1,381,924	1,515,302	939,891	1,715,307	2,051,621	1,804,960
Charges	642,030	784,336	562,306	513,101	658,254	464,000
Net Produce	739,894	730,966	377,585	1,202,206	1,393,367	1,340,960
Stamps	305,330	303,470	335,988	378,579	378,848	395,275
Charges	79,958	66,247	63,130	69,101	80,868	81,371
Net Produce	225,372	237,223	272,858	309,478	297,980	313,904
Tribute from Ava	....	....	....	553,138	186,010	208,800
Bhurtpoor State, on account of Charges of War	....	....	....	....	....	92,800
Scindiah's Government for Auxiliary Horse	....	....	....	....	....	161,240
Profits of the Madras Government Bank, from its Institution	....	....	....	620,226	9,162	9,143
Total Gross Receipts	20,974,155	20,449,062	20,853,013	23,058,014	22,551,617	22,844,082
Deduct Charges of Collection, Pensions, Advances for Manufacture, &c.	6,160,121	5,154,639	4,791,065	4,885,238	5,524,728	5,252,486
Total Net Produce of the Revenues	14,814,034	15,294,423	16,061,948	18,182,776	17,026,889	17,591,596

* This includes the Payment of £1,165,165 to the Nizam, for the Redemption of Peshcush.

No. 1.—Gross and Net Produce of the Revenues of Bengal, Madras, and Bombay combined, &c.—*continued.*

Charges upon the Revenues of India.	1823-24.	1824-25.	1825-26.	1826-27.	1827-28.	Estimate 1828-29.
	£.	£.	£.	£.	£.	£.
Mint Charges	67,155	80,462	92,127	86,631	67,876	67,099
Receipts	29,295	21,239	49,964	48,039	47,912	35,467
Net Charges	37,860	59,223	42,163	38,592	19,964	31,632
Post Office Charges	128,592	131,724	135,612	131,639	137,262	135,468
Receipts	117,237	121,570	124,611	127,197	136,460	135,694
Net Charges	11,355	10,154	11,001	4,442	802	226
Charges of the Civil Establishments	1,937,977	2,125,896	2,316,909	2,864,831	2,694,204	2,405,058
Receipts	30,992	29,630	61,802	36,442	55,830	50,847
Net Charges	1,906,985	2,096,266	2,255,107	2,828,389	2,638,374	2,354,211
Judicial Charges	1,558,516	1,654,861	1,664,549	1,726,320	1,836,816	1,774,755
Receipts	105,252	100,933	114,960	122,012	121,180	119,902
Net Charges	1,453,264	1,553,928	1,549,589	1,604,308	1,715,636	1,654,853
Marine Charges	249,138	260,229	375,247	346,178	381,851	370,625
Receipts	53,167	46,727	57,655	56,069	66,290	62,666
Net Charges	195,971	213,502	317,592	290,109	315,561	307,959

Military Charges	8,952,316	11,050,415	13,229,603	11,419,217	10,784,713	9,736,878
Interest on Debt	1,602,218	1,414,265	1,524,152	1,684,116	1,855,705	1,942,671
Deccan Prize Money repaid	....	....	....	....	600,905	—
Total Gross Charges	14,495,912	16,717,852	19,338,199	18,258,932	18,359,332	16,432,554
Deduct Receipts	335,943	320,099	408,992	389,759	427,672	404,576
Total Net Charges upon the Revenues	14,159,969	16,397,753	18,929,207	17,869,173	17,931,660	16,027,978
Add,						
Payments on Account of Subordinate Settlements, in excess of Receipts	172,789	254,353	75,163	125,912	138,019	127,600
Charges of the Island of St. Helena	107,323	110,592	111,530	112,368	123,756	112,690
Territorial Payments in England	891,524	1,217,907	1,073,228	1,316,865	1,243,130	1,512,518
Invoice Value of Political Stores exported to India	403,494	417,935	750,057	1,121,292	808,080	453,437
Total Charges upon the Revenues	15,735,099	18,398,540	20,939,185	20,545,630	20,244,645	18,234,223
Net Produce of the Revenues	14,814,034	15,294,423	16,061,948	18,182,776	17,026,889	17,591,596
Deficit £	921,065	3,104,117	4,877,237	2,362,854	3,217,756	642,627

The Variations between these Results and those shewn in the Accounts already before Parliament are comparatively inconsiderable, and are caused by Adjustments.

Appended to this Account is a Statement of the Items composing both the Charges above stated as Deductions from the Revenues, and the other Charges of the Civil and Military Government for the Year 1827-8, which will fully explain the Nature and Description of Expenditure.

(Errors excepted.)

JAMES C. MELVILL,
Auditor of India Accounts.

East-India House,
16th March 1830.

ABSTRACT STATEMENT of the CHARGES for the Year 1827-8, whether stated as Deductions from Revenues, or as Charges appertaining to the Civil and Military Government of India.

	Rs.	£.
CHARGES upon the LAND REVENUE, SAYER, ABKAREE, and TOBACCO.		
BENGAL—		
Salaries, Allowances, &c. to the Members of the Board of Revenue, Officers of Account, &c. ..	22,89,524	
Charges of collecting, &c.	61,29,880	
Extraordinary Charges in excess of Extraordinary Receipt, being for Buildings, &c.	2,47,999	
Stipends, Pensions, and Charitable Allowances	45,41,161	
Sa. Rs.	1,32,08,564	1,532,193
MADRAS—		
Salaries to the Members of the Board of Revenue, Officers of Account, &c.	3,14,359	
Charges of collecting the Revenue, &c.	49,87,349	
Carnatic Deposit, &c.	12,77,741	
Purchase and Charges of Tobacco	2,78,627	
Stipends, Pensions, and Charitable Allowances	47,14,207	
Ms. Rs.	1,15,72,283	1,322,546
BOMBAY—		
Salaries, Charges of Collection, &c.	22,23,034	
Survey and other Extraordinary Charges, in excess of Extraordinary Receipts	4,46,951	
Allowances to Zemindars, Musmoodars, Dessaes, and other District and Village Officers	13,47,896	
Stipends, Pensions, and Charitable Allowances	30,14,037	
By Rs.	70,31,918	791,091
		3,645,830
CUSTOMS.		
BENGAL—Salaries, Commission, Establishment, and Contingencies.	11,40,409	132,287
MADRAS.... Do.......... Do.......... Do........	4,55,281	52,032
BOMBAY.... Do.......... Do.......... Do........	3,86,266	43,455
		227,774
SALT.		
BENGAL—		
Advances to Manufacturers	42,91,768	
Convention with the French Government	4,00,000	
Do.... Danish Government	15,000	
Salaries, Commission, Calary Rents, Establishment, and Contingencies	22,61,527	
Buildings, &c.	1,52,888	
	71,21,183	826,057
MADRAS—		
Salt Manufacturers' Share	2,50,542	
Moyen Zabitah and other Charges	3,74,794	
Compensations	25,812	
Advances	1,00,843	
	7,52,021	85,945
		912,002

Abstract Statement of the Charges for the Year 1827-8, &c.—*continued.*

	Rs.	£.
OPIUM.		
BENGAL—		
Advances to Manufacturers	38,79,974	
Compensation to Purchasers of inferior Behar Opium in 1824-5	10,68,608	
Salaries, Agency Establishments, and Contingencies	7,26,024	
	56,74,606	658,254
STAMPS.		
BENGAL—		
Fees to Native Commissioners in the Mofussil Courts	2,27,370	
Purchase of Paper	48,704	
Commission, Salary, Establishments, and Contingencies	3,39,708	
	6,15,782	71,431
MADRAS—		
Commission, Salary, Establishments, and Contingencies	82,576	9,437
		80,868
MINTS.		
BENGAL—		
Salaries, Establishments, and Contingencies	2,01,080	
Loss of Weight in melting the Precious Metals	1,76,787	
	3,77,867	43,838
MADRAS—Salaries, Establishments, and Contingencies	1,78,557	20,406
BOMBAY— Do. Do.	32,327	3,637
		67,876
POST-OFFICE.		
BENGAL—		
Commission, Salaries, and Establishments	1,25,594	
Dawk Establishment	6,42,293	
	7,67,887	89,075
MADRAS—		
Salaries, Establishments, &c.	64,973	
Tappaul Establishment	1,91,744	
	2,56,717	29,339
BOMBAY—		
Salaries, Establishments, and Contingencies	1,67,538	18,848
		137,262
GENERAL CIVIL CHARGES.		
BENGAL—		
Durbar Charges	3,40,331	
Governor-General's Office	1,80,300	
Expence of Visiting the Upper Provinces	2,95,269	
Embassies and Missions to Native Courts	21,22,670	
Pay of Auxiliary Troops under Gwalior Treaty of Nov. 1817	8,41,128	
Gumber Sing's and Mug Levy, &c.	1,47,305	
Salaries of the Governor-General and Members of Council	5,96,674	
Carried forward	45,23,677	

Abstract Statement of the Charges for the Year 1827-8, &c.—*continued.*

GENERAL CIVIL CHARGES—*continued.*	Rs.	£.
Brought forward	45,23,677	
BENGAL—		
Public Offices at the Presidency	11,62,849	
Public Establishments, Ditto	9,53,023	
Church Establishment	4,24,736	
Vaccine Establishment	77,139	
House Rent, &c.	81,641	
Repairs of Roads, Buildings, &c.	2,79,747	
College at Fort William	1,39,637	
Contributions to Public and Charitable Institutions	5,47,820	
Schools	1,48,736	
Petty Establishments and Contingencies	3,11,787	
Stipend and Allowances of the Nizamut	22,40,350	
Provincial Battalions and Nujeebs	25,84,904	
Pensions and Charitable Allowances	95,977	
Advances for Buildings, &c.	10,03,810	
Batta to Troops employed in the Burman War	7,86,473	
Extraordinary Charges	81,724	
	1,54,44,030	1,791,508
MADRAS—		
Durbar Charges, &c.	1,14,094	
Mysore Residency Charges	1,51,061	
Travancore Ditto	46,826	
Tanjore Ditto	25,181	
Pondicherry Ditto	23,604	
Chepauck Agency Charges	35,497	
Salaries of the Governor and Council	2,69,734	
Public Offices at the Presidency	6,01,304	
Church Establishment	2,52,061	
College at Fort St. George	1,74,215	
House Rent	41,875	
Assessment Establishment, Public Instruction, Survey and Engineer Establishment	1,47,725	
Hospital and Vaccine Establishment	1,04,956	
Buildings, Repairs, and contingent Charges	6,56,981	
Contributions to Public and Charitable Institutions	2,27,471	
Charges on account of His Majesty's Navy	84,881	
Pensions and Charitable Allowances	1,96,858	
	31,54,324	360,494
BOMBAY—		
Durbar and Residency Charges	7,26,605	
Salaries of the Governor and Council	3,41,100	
Public Offices at the Presidency	5,56,350	
Public Establishments, Ditto	65,675	
Public Establishments at the Subordinates	2,95,993	
Church Establishment	2,10,194	
Contributions to Public and Charitable Institutions	2,13,991	
Enaumdars	7,05,975	
Buildings, Repairs, Roads, Bridges, &c.	11,28,039	
Pensions and Charitable Allowances	5,75,749	
	48,19,569	542,202
		2,694,204

Abstract Statement of the Charges for the Year 1827-8, &c.—*continued.*

	Rs.	£.
JUDICIAL CHARGES.		
BENGAL—		
Salaries, Establishments, and Contingencies of the Supreme Court	4,32,337	
Ditto ...... Ditto ...... of the Justices of the Peace, Diet of Prisoners, &c. at the Presidency	2,51,693	
Court of Requests	98,605	
Sudder Dewanny and Nizamut Adawluts	6,38,869	
Provincial Courts of Appeal and Zillah Adawluts	62,69,040	
Provincial Police	17,89,377	
Extraordinary and contingent Charges	3,73,318	
Pensions	38,455	
	98,91,694	1,147,436
MADRAS—		
Salaries, Establishments, &c. of the Supreme Court	3,08,700	
Police Charges, &c. at the Presidency	1,33,040	
Court of Sudder and Fouzdarry Adawlut	2,53,557	
Provincial Courts	25,97,490	
Pensions, &c	7,342	
	33,00,129	377,158
BOMBAY—		
Salaries, Establishments, &c. of the Supreme Court, &c.	3,68,400	
Police Charges, &c. at the Presidency	1,27,540	
Court of Sudder and Fouzdarry Adawlut	2,62,891	
Provincial Courts	19,39,774	
Buildings, &c	76,701	
	27,75,306	312,222
		1,836,816
MARINE CHARGES.		
BENGAL—		
Expence of the Pilot Schooners and Buoy Vessel	3,68,585	
Ditto of the Steam Vessels	87,454	
Ditto of the Lighthouses, &c	1,08,505	
Master Attendant and Establishment	1,59,148	
Paymaster and Storekeeper, and Establishment	56,496	
Moorings, &c	86,279	
Offices, Establishments, &c	68,309	
Buildings and Repairs	311,304	
Pensions	80,266	
	13,26,346	153,856
MADRAS—		
Master Attendant, Establishment, &c. at the Presidency	1,11,955	
Expences at the Out Ports	35,629	
	1,47,584	16,867
BOMBAY—		
Marine Office, Establishment, &c	1,51,105	
Charges of Marine Cruizers, &c.	11,94,573	
Ditto of Water Boats, Luggage Boats, Ferry Boats, &c.	25,831	
Ditto of Dry Docks, Mooring Chains, &c.	80,444	
Expence of building Vessels, Purchase of Timber, &c.	4,24,741	
	18,76,894	211,128
		381,851

Abstract Statement of the Charges for the Year 1827-8, &c.—*continued.*

		Rs.	£.
MILITARY CHARGES.			
BENGAL—			
Pay and Allowances, &c. of the King's Troops		39,85,436	
Ditto .. .. Ditto of Company's Troops		2,12,37,362	
Local Corps, Garrisons, Commissariat, and contingent and other Charges		1,34,32,527	
Buildings, Repairs, &c.		22,69,016	
		4,09,24,341	4,747,224
MADRAS—			
Pay and Allowances of the King's Troops		29,12,983	
Ditto............of Company's Troops		1,43,29,343	
Local Corps, Garrisons, Staffs, Commissariat, and contingent Charges..........................		1,38,78,814	
Arrears of Charges of Birman War		26,58,069	
Charges on account of Prince of Wales' Island		2,06,911	
Buildings, Repairs, &c.		3,68,712	
		3,43,54,832	3,926,267
BOMBAY—			
Pay and Allowances of the King's Troops		14,33,933	
Ditto...... Ditto of Company's Troops		93,39,083	
Local Corps, Garrisons, Staffs, Commissariat, and contingent Charges..........................		73,55,877	
Buildings, Repairs, &c........................		6,37,524	
		1,87,66,417	2,111,222
			10,784,713
INTEREST.			
BENGAL—			
Interest on Debts, Deposits, &c. after deducting Receipts for Interest on Bank Shares, &c.......		1,42,19,402	1,649,451
MADRAS—			
Interest on Carnatic Fund and other Deposits..		15,66,460	179,024
BOMBAY—			
Interest on Deposits		2,42,044	27,230
			1,855,705
PAYMENTS ON ACCOUNT SUBORDINATE SETTLEMENTS IN EXCESS OF RECEIPTS.			
ST. HELENA—			
Cost and Freight of Stores consigned to that Island..		69,440	
FORT MARLBRO'—	Rs.		
Bills drawn by the Local Agent	52,315		
Pensions to Native Invalids..............	3,558		
		55,873	
PRINCE OF WALES' ISLAND, SINGAPORE, AND MALACCA—			
Bills drawn to defray the Charges	8,09,496		
Subscription to Bengal Loan received	2,18,200		
Stores supplied........................	73,518		
Compensations, Advances to Officers, and Payments in the Marine Department, ment, &c. .... ''..............	17,595		
Carried forward	11,18,809		
Carried forward		1,25,313	

Abstract Statement of the Chrrges for the Yenrs 1827-8, &c.—*continued.*

		Rs.	Rs.	£.
Brought forward		11,18,809	1,25,313	
PRINCE OF WALES' ISLAND, &c.—*continued.*				
Deduct,	Rs.			
Interest paid on Bengal Loans ..	11,780			
Advances on account Marine Department, &c.	40,363			
Stores	2,155			
		54,298		
			10,64,511	
			11,89,824	138,019

CHARGES OF THE ISLAND OF ST. HELENA.

		£.	
Salaries of the Governor and Civil Establishment....		14,337	
Charges General—Issues of Stores, Diet, and Allowances		13,561	
Charges of the Marine Department		2,006	
Church Establishment		2,292	
Charges of the Plantation........................		2,311	
Ditto of Silk Establishment		1,550	
Ditto of School Establishment..................		1,669	
Chinese Establishment		2,374	
Highways and Limekilns		674	
Advanced for Emancipation of Slaves		2,648	
Pensions		2,386	
Charges defrayed in England......................		12,614	
Pay and Allowances of the Troops, &c.		65,952	
Stores and Contingencies		9,220	
Buildings and Fortifications		1,989	
Deduct,	£.	135,583	
Amount received for Duties, Licences, and Rents	3,398		
Supplies from India included in the Charges above	8,429		
		11,827	123,756

TERRITORIAL PAYMENTS IN ENGLAND.

	£.
Payment to His Majesty's Government for Charges incurred at Home on account of King's Troops employed in India	211,452
Ditto as Compensation for Retiring Pay, Pensions, &c. of King's Troops who have served in India........................	60,000
Passage of Military, and Supplies to them on Voyage	68,761
Furlough and Retiring Pay to Company's Officers....	279,564
Off-Reckonings	120,308
Absentee Allowance to the Civil Servants	29,876
Political Freight and Demurrage	134,435
Political Charges General (the principal items of which are stated below)	335,174
Sundry small Payments on account of Tanjore Commission, Subordinate Settlements, &c.	3,560
	1,243,130

Abstract Statement of the Charges for the Year 1827-8, &c.—*continued.*

POLITICAL CHARGES GENERAL.		£.
India Board: Salaries and Pensions		29,896
Home Establishment: Proportion of Salaries as agreed upon with India Board		52,537
Political Annuitants and Pensioners		58,773
Directors' Gratuities (One-Half)		4,238
Allowances to Extra Clerks (Two-Thirds)		16,756
Proportion of Tradesmen's Bills for Repairs, Coals, &c. and Taxes		15,802
Stationery for Home Use (One-Half)		3,591
Proportion of Expence of East-India College		10,403
Expence of raising Recruits for Company's European Troops		34,450
Military Seminary at Addiscombe		18,826
Buildings at Ditto		3,464
Military Officers and Soldiers: Passage Money of King's Officers, Allowances, &c.		21,722
Disbursements in and Expences of the Military Store Department		10,518
Disbursements on account of Horses shipped for India		2,352
Lord Clive's Fund: Excess of Pensions, &c beyond Receipts		33,133
Law Charges respecting Political Matters		4,189
Allowances for Outfit, Passage, and Equipment to Political Officers		13,284
Batta to Officers employed in the Burman War		24,110
Maintenance of Insane Persons from the Civil and Military Establishments of India		2,972
Proportion of Expence of the Carnatic Commission		3,808
Proportion of Expence incurred in purchasing Books, Maps, &c.		2,077
Gratuities to Political Officers for Public Services		2,141
Charges on account of the Persian Embassy		1,885
Payments on account of Publications useful to the Civil and Military Branches of the Service		2,031
Expence of maintaining, &c. Lascars and other Asiatic Seamen		1,905
Expence of Overland Packets and sundry Political Charges		6,872
		381,735
Deduct,	£.	
Charges attaching to Territorial Exports which are included in the Invoice Amount of Political Stores, &c.	27,972	
Advances recovered in India, which had previously been stated as Charges	9,798	
Received from Assignees of Mr. Card, as a Compromise in the Suit of Murray, Administrator to Hope, against the Company	7,000	
Interest upon Company's Carnatic Stock	1,407	
Fines, &c. for Breaches of Contracts	384	
		46,561
	£	335,174

APPENDIX No. II.

ESTIMATE of the AMOUNT in which the CHARGES of INDIA are expected to be DIMINISHED in future Years, as compared with 1828-9, by the various REDUCTIONS of ESTABLISHMENTS, MILITARY and CIVIL, which either have been actually effected or are now in progress.

	Reduction of the Charges of India in future Years, compared with 1828-9.			
	In 1829-30.	In 1830-31.	In 1831-32.	In 1832-33.
MILITARY.	£.	£.	£.	£.
Effect of Military Reductions at the Three Presidencies (See the detailed Statements, Nos. 1 to 3.)	387,684	643,121	765,639	868,380
Saving by the Reduction in the Established Strength of King's Regiments in India (£100,000 of which, 1-5th, is estimated to take place in England)	*	40,000	60,000	80,000
CIVIL AND MARINE.				
Effect of Reductions in Allowances and Establishments at the Three Presidencies. (See detailed Statement No. 4)	73,437	108,852	125,594	141,174
SUBORDINATE SETTLEMENTS.				
Reductions at Prince of Wales' Island, Malacca, and Singapore. (See Statement No. 5.)........	....	40,020	41,760	41,760
Do. at St. Helena. (Do No. 6.)	3,000	11,050	18,950	18,950
	464,121	843,043	1,011,943	1,170,264
Add Sum in which it is estimated that the Territorial Charges incurred in England will fall short of their Amount in 1828-9.......	140,000	260,000	260,000	260,000
Aggregate estimated Diminution of Charge	604,121	1,103,043	1,271,943	1,430,264

* The saving estimated under this head in 1829-30 is considered to be counterbalanced by the expense of providing permanent cantonments for three additional King's regiments in India.

Note.—The Military Reductions are estimated to produce their full Financial effect in 1832-3.

(Errors Excepted.)

East-India House,
15th March 1830.

JAMES C. MELVILL,
Auditor of India Accounts.

Statement, No. 1

BENGAL.

ESTIMATE of the EFFECT of the MILITARY REDUCTIONS which have been ordered at this Presidency; shewing the absolute Diminution of Charge which they are calculated to produce in future Years, as compared with 1828-9.

	In 1829-30.	In 1830-31.	In 1831-32.	In 1832-33.
	Sonaut Rs.	Sonaut Rs.	Sonaut Rs.	Sonaut Rs.
Saving by Reductions ordered previously to 1828-9, producing their full Effect...	1,50,000	1,50,000	1,50,000	1,50,000
Reduction of 80 Men from each Regiment of Native Cavalry............................	85,600	1,71,000	1,71,000	1,71,000
Do. of 100 Men from each Regiment of Native Infantry............................	2,33,100	4,66,200	4,66,200	4,66,200
Two Guns withdrawn from each of the light Field Batteries	8,000	8,000	8,000	8,000
Two Magazines abolished	4,200	4,200	4,300	4,200
Military Allowances of Officers in the Service of Native States withdrawn	20,000	20,000	20,000	20,000
Establishment of the Arsenal at Fort William reduced	4,500	4,500	4,500	4,500
Establishment of Warrant Officers reduced	14,000	28,000	42,000	47,000
Allowance for Quarter Masters' Carts abolished..	40,000	40,000	40,000	40,000
Military Secretary to Commander in Chief: Salary to be reduced on the next Vacancy	....	10,000	10,000	10,000
Two Deputy Assistant Quarter Masters General to be reduced, as ordered by the Court	....	3,600	....	7,200
Four Stations constituted Half-Batta Stations..	60,000	1,20,000	1,80,000	1,80,000
Establishment of Army Cattle reduced..	1,00,000	1,60,000	1,60,000	1,60,000
Sanatarium discontinued...	13,000	13,000	13,000	13,000
Appointment of Garrison Engineer, &c. of Fort William consolidated with that of Civil Architect..	4,600	4,600	4,600	4,600
Ordnance Establishment of Ramghur Battalion reduced..................................	3,000	5,300	5,300	5,300

Court's Orders. Native Cavalry—Two Troops from each Regiment, including 2 Lieutenants and 1 Cornet	60,000	1,20,000	1,80,000	2,40,000
Court's Orders. Native Infantry—Two Companies from each Regiment	2,40,000	4,80,000	7,20,000	9,75,000
Court's Orders. European Infantry—2 Lieutenants and 1 Ensign from each of the two Regiments	4,000	8,000	12,000	17,000
Court's Orders. Engineer and Artillery—2 First Lieutenants and 1 Second Lieutenant from each Battalion	*30,000	60,000	90,000	1,25,000
Reductions in the Barrack Department	22,000	30,200	30,200	30,200
Benares, Purneah, and Orissa Provincial Corps disbanded	1,50,000	2,84,000	2,84,000	2,84,000
Sixth, Seventh, and Eighth Corps of Irregular Horse disbanded	3,40,000	6,28,200	6,28,200	6,28,200
Establishments of Army Carriage Cattle reduced	1,80,000	2,88,500	2,88,500	2,88,500
Temporary Reduction of Expense in the Gunpowder Agencies	23,500	31,300	—	—
Timber Agency at Nauthpore and the Timber Depôt at Balloo Ghaut discontinued	15,700	21,000	21,000	21,000
Reductions in the Establishments of the Garrison Engineer, &c. in Fort William, and the Civil Architect at the Presidency	8,000	12,000	12,000	12,000
	18,13,200	31,71,600	35,44,700	39,11,900
Deduct Saving in the Engineers, expected to be counterbalanced by an Increase of Expense at the other Presidencies	6,000	12,000	18,000	25,000
Sonaut Rupees	18,07,200	31,59,600	35,26,700	38,86,900
Or, £	200,594	350,707	391,455	431,436

* The Saving in the Engineers is expected to be counterbalanced by a corresponding increase of expense in the same branch at the other Presidencies.

Statement, No 2.

MADRAS.

ESTIMATE of the EFFECT of the MILITARY REDUCTIONS ordered at this Presidency, shewing the absolute Diminution of Charge which they are calculated to produce in future Years, as compared with 1828-9.

	In 1829-30.	In 1830-31.	In 1831-32.	In 1832-33.
	Rupees.	Rupees.	Rupees.	Rupees.
Reduction of the Number of Army Cattle, and of 768 Troopers from the Light Cavalry..	2,30,000	2,50,000	2,50,000	2,50,000
Reduction in the Strength of the Native Infantry	2,00,000	3,00,000	3,00,000	3,00,000
Light Infantry Regiments—One Puckally from each Company in Garrison	3,000	3,000	3,000	3,000
First and Second extra Regiments reduced one-half	60,000	60,000	60,000	60,000
Establishment of Tent Lascars reduced	12,000	18,000	26,000	26,000
Reduction in the Ordnance Department	50,000	50,000	50,000	50,000
Further Reduction in the Light Cavalry	84,000	1,68,000	2,52,000	3,36,000
Establishment of the Gun-carriage Manufactory reduced	10,000	17,000	23,000	23,000
Establishment for Manufacture of Gunpowder reduced	9,000	9,000	9,000	9,000
Vaccination Establishment at the Presidency reduced, and 30 Hospital Conicopolies discharged	6,000	6,000	6,000	6,000
Saving in the Hire of Carriage Bullocks	11,000	11,000	11,000	11,000
Saving in the Field Equipments of the Army	1,50,000	1,50,000	1,50,000	1,50,000
Expence of the Two Extra Regiments of Native Infantry	70,000	70,000	70,000	70,000
Reduction in the Number of Saddles with Light Cavalry Regiments, and short Issues of Grain	20,000	20,000	20,000	20,000
Field Allowances of certain Troops to be discontinued	....	35,000	35,000	35,000
Reductions at Penang and on the Tenasserim Coast	70,000	70,000	70,000	70,000
Veterinary Establishment at Arcot	6,000	6,000	6,000	6,000
Court's Orders. Two Troops from each Regiment of Native Cavalry	59,500	1,19,000	1,78,500	2,38,000
Court's Orders. Two Companies from each Regiment of Native Infantry	1,80,000	3,60,000	5,40,000	7,20,000
Rupees	12,30,500	17,22,000	20,59,500	23,83,000
Or,.... £	140,628	196,800	235,371	272,343

Statement, No. 3.—BOMBAY.

ESTIMATE of the EFFECT of the MILITARY REDUCTIONS ordered at this Presidency, shewing the absolute Diminution of Charge which they are calculated to produce in future Years, as compared with 1828-9.

	In 1829-30.	In 1830-31.	In 1831-32.	In 1832-33.
	Rupees.	Rupees.	Rupees.	Rupees.
Field Allowances to the Troops in Malwa discontinued (only One Month's Charge under this Head occurred in 1828-29)	17,500	17,500	17,500	17,500
Regimental Allowances of Officers in the Service of Native Princes struck off	2,000	2,000	2,000	2,000
Light Battalion at Poonah broken up	2,700	2,700	2,700	2,700
Reduction in the Strength of each Regiment of Native Cavalry and Native Infantry	1,80,000	3,60,000	5,40,000	7,20,000
Evacuation of Mhow by the Bombay Troops. (This Charge may be considered as transferred to Bengal)	35,000	35,000	35,000	35,000
Troop Quarter-Masters of Horse Artillery abolished	2,000	4,000	6,000	8,000
Reduction in the Stud Department	1,500	1,500	1,500	1,500
Court's Orders. { Two Troops from each Regiment of Native Cavalry, and Two Companies from each Regiment of Native Infantry, and Three Subaltern Officers from the European Regiment	1,40,000	3,02,000	4,65,000	6,50,000
Two Companies from the Marine Battalion and from each of the Extra Battalions	5,000	11,000	18,000	26,000
Office of Inspector of Hill Forts in the Deccan abolished	4,200	6,300	6,300	6,300
Office Establishment of Inspecting Engineers advised	3,700	5,700	5,700	5,700
Establishment of Horses and Mules for the "Foot Artillery" Field Guns discontinued	36,000	62,000	62,000	62,000
Saving in the Commissary Department	2,400	4,800	4,800	4,800
Ten Elephants transferred back to the Bengal Presidency. (This Expence must be considered as transferred to Bengal)	4,000	8,000	8,000	8,000
Court's Orders. } Establishment of the European Infantry Regiments reduced	....	32,000	64,000	96,000 { In the following Year. 1,28,000
Expences of the Deccan and Concan Surveys reduced	16,000	38,400	38,400	38,400
Salaries of the Assistant Adjutant General and the Quarter Master General to be reduced on the next Vacancies, each 3,696 Rupees per Annum	—	—	—	—
	4,52,000	8,92,900	12,76,900	16,83,900
Deduct, transferred to Bengal	39,000	43,000	43,000	43,000
Rupees	4,13,000	8,49,900	12,33,900	16,40,900
Or, ...£	46,462	95,614	1,38,813	1,84,601

Statement, No. 4.

ESTIMATE of the EFFECT of the REDUCTIONS which have been ordered in the various CIVIL and MARINE DEPARTMENTS in INDIA, shewing the absolute Diminution of Charge which they are calculated to produce in future Years, as compared with 1828-9.

BENGAL.	In 1829-30.	In 1830-31.	In 1831-32.	In 1832-33.	Ultimate Saving per Annum.
	Sa. Rs.	Sa. Rs.	Sa. Rs.	Sa. Rs.	Sa. Rs.
Saving by a General Revision of the Allowances attached to Offices held by Covenanted Civil Servants. (The new Rule of Service is not estimated to produce any Saving)	75,000	1,30,000	2,00,000	2,50,000	6,30,000
Abolition of Travelling Allowances (with certain Exceptions)	30,000	30,000	30,000	30,000	30,000
Saving by the Arrangements reported in Revenue Letters of 10th and 30th Dec. 1828. (Appointment of Commissioners of Revenue and Circuit, &c.)	50,000	60,000	70,000	80,000	1,07,000
Other Reductions	28,000	28,000	28,000	28,000	28,000
Abolition of Committees of Record in Bengal	59,000	59,000	59,000	59,000	59,000
Reductions in the Departments of Account, Pay, and Audit	8,000	9,000	9,000	9,000	16,500
Saving in filling up the Appointments of Post Master General, Mint Master, and Superintendent of Stamps	30,000	31,000	31,000	31,000	46,000
Office of Superintendent and Remembrancer of Legal Affairs abolished	3,400	3,400	3,400	3,400	27,400
Reductions in the Marine Department	50,000	80,000	1,20,000	1,70,000	2,70,000
Total Sicca Rupees	3,33,400	4,30,400	5,50,400	6,60,400	12,13,900
Or, £	38,674	49,926	63,846	76,606	140,812

MADRAS.	Rupees.	Rupees.	Rupees.	Rupees.	Rupees.
Saving, by a General Revision of the Subordinate Establishments,					
At the Presidency	39,800	39,800	39,800	39,800	39,800
In the Provinces	1,50,000	2,00,000	2,00,000	2,00,000	2,00,000
Proposed Saving in the Departments of Account and Audit at the Presidency	....	....	....	....	49,000
Abolition of the Office of Superintendent of Civil Pensions	....	8,200	8,200	8,200	8,200
Reductions in the Marine Department	....	15,000	20,000	25,000	31,000
Rupees	1,89,800	2,63,000	2,68,000	2,73,000	3,28,000
Or, £	21,691	30,057	30,629	31,200	37,486
BOMBAY.	Sa. Rs.	Sa. Rs.	Sa. Rs.	Sa. Rs.	Sa. Rs.
The Observatory discontinued	6,200	9,300	9,300	9,300	9,300
Office of Statistical Reporter abolished	—	9,200	9,200	9,200	9,200
Proposed Saving in the Departments of Account and Audit at the Presidency	—	—	—	—	26,700
Office of Agent for Sirdars proposed to be abolished	—	—	—	—	29,400
Reductions in the Political Department	40,000	50,000	60,000	70,000	80,000
Ditto in the Revenue Department	50,000	60,000	70,000	80,000	90,000
Ditto in the General Department	20,000	25,000	25,000	25,000	25,000
Military Pay of Officers holding Civil Appointments ordered by the Court to be taken in diminution of their Civil Allowances	—	1,00,000	1,00,000	1,00,000	1,00,000
Sicca Rupees	1,16,200	2,53,500	2,73,500	2,93,500	3,69,600
Or, £	13,072	28,869	31,119	33,368	41,930
Grand Total....	73,437	108,852	125,594	141,174	220,228

Statement, No. 5.

ESTIMATE of the REDUCTION which will be effected in the EXPENCES of PENANG, MALACCA, and SINGAPORE, in future Years.

	In 1829-30.	In 1830-31.	In 1831-32.	Ultimate Reduction.
	Sa. Rs.	Sa. Rs.	Sa. Rs.	Sa. Rs.
Reduction which it is estimated will result from the execution of the Court's Orders to Bengal, dated 7th April 1829, directing that the Government of the Three Settlements be constituted on a different Principle after 1st May 1830, and that various Offices be abolished	Nothing.	3,00,000	3,00,000	3,50,000
Probable Saving from the proposed Abolition of the Recorder's Court	—	45,000	60,000	80,000
Total Sicca Rupees	—	3,45,000	3,60,000	4,30,000
Or, £	—	40,020	41,760	49,880

Statement, No. 6.

ESTIMATE of the AMOUNT in which the CHARGES of ST. HELENA will be reduced in future Years, as compared with 1828-9, by the Operation of the Court's Orders.

	In 1829-30.	In 1830-31.	In 1831-32.	Eventual Saving per Annum.
	£.	£.	£.	£.
Governor	—	2,300	2,300	2,300
Members of Council	—	—	—	1,800
Senior Merchants	—	—	1,200	800
Other Civil Servants	—	600	—	2,310
Chaplain	—	350	350	350
Military Establishment	—	6,000	13,000	16,000
Medical Ditto	—	—	—	1,200
Horse and Forage Allowances	—	400	400	400
Master Attendant	—	—	—	280
Various Savings	—	1,400	1,700	2,000
£	*	11,050	18,950	27,440

* A Saving in 1829-30, of about £3,000, may be estimated through the operation of the Court's Orders.

Die Veneris, 19° *Martii* 1830.

The Lord President in the Chair.

SIR ALEXANDER JOHNSTON is called in, and makes the following statement:

19 Mar. 1830.

Sir A. Johnston.

1996. I was asked, on the former day, whether I originated the measure of the emancipation of the slaves. Certainly I was strongly in favour of it, but I cannot presume to say that it originated with me; it originated with the people themselves; that is to say, with the jurymen who were proprietors of slaves. The only influence I had was from their knowing that they would stand higher in my opinion if they did it, and that I thought it would be a popular measure.

1997. Have the goodness to state what were the prevailing tenures of land in the island of Ceylon?—The tenures of land in the island of Ceylon are variously modified; but I should think that one may distinctly classify them under three general heads. Without using any technical names, I will describe the nature of them. The first are lands that belong completely to the sovereign of the country, and remain under the management of the sovereign. The second are lands which were originally granted by the sovereign of the country to individuals, upon the condition that they were permanently to pay a certain portion of the produce to whoever might be sovereign. As long as the proprietors pay that portion of the produce they may alienate those lands in any way they please, either by sale during life, or by will after death; or if no will is made, the lands descend by inheritance, whoever the proprietor may be, always paying that proportion of the produce which was the original condition on which the lands were granted. The third are lands which are granted by the sovereign for the time being, for the performance of specific services, to head men of different districts, chiefs of districts, and others, for services to be performed for the sovereign of the country. When the person holding lands under such a tenure dies, they immediately revert to the sovereign of the country. They are attached to the office; they can neither be mortgaged nor alienated. Besides what have been mentioned, the government of Ceylon have large tracts of country that are wholly uncultivated. They must have been originally highly cultivated, but, in consequence of change of circumstances, have been left desert and uncultivated.

1998. There is no description of landholder that can be considered as independent of the government?—In no other way than what I have described.

19 Mar. 1830.

Sir A. Johnston.

1999. Can you state in what proportion those three different general heads of tenure prevail in the island of Ceylon ;—No, I cannot, because I have not got the statements that were made out for me in the year 1808, and again in the year 1817. I can procure others, if it is wished.

2000. Can you state in what mode the first description of the lands you have mentioned, namely, those that remain in the possession of the sovereign, are administered for the benefit of the sovereign?—The sovereign has them cultivated upon the most advantageous terms that he can procure; sometimes receiving a half or a third, or less, of the produce, according to the condition he may make; but that is quite uncertain, and depends on the circumstances of the country.

2001. Granting leases of them, or retaining them without lease?—There is no regular lease, technically speaking. Land is generally held by the natives under ancient custom. Under the Portuguese and the Dutch government there were regular registries of lands.

2002. Are there land-stewards employed for the purpose of collecting those rents?—No; there are native officers employed under the Collectors, who have different denominations.

2003. With respect to the second description of lands, what is the form had recourse to by the government for the purpose of securing that portion of the produce which is reserved?—They generally collect it through renters, The right of collecting the government share is sold to the highest bidder. The government share of a whole district is put up for sale to any man who will purchase it, for one year or two years, or whatever the term may be.

2004. With respect to the third description of tenure you have described, is the land resumable at will from the persons to whom it has been granted by the government?—As long as a man holds the office, so long he is entitled to the lands, which are a remuneration for the duties of his office. If a man misconducts himself, and is turned out of the office, he loses his right to the lands.

2005. Have you had occasion to observe under which of those tenures land is most beneficially improved in the island? —I should say under the second.

2006. The rent, in that case, cannot be increased?—It ought not to be increased; it has been sometimes increased, but not usually, and it is looked upon as a hardship if it is.

2007. It is a portion of the produce; not a proportion?—It is a tenth or a half of the produce.

2008. What is the proportion?—That is difficult to say, for in some places the proprietors commute with government for a money payment; government receives its share in money. An

agreement may be made by government with the proprietors, for a year, that they will pay, instead of a tenth of the produce, so much money; that is sometimes done. 19 Mar. 1830. Sir A. Johnston.

2009. Is the tenth understood to be the proportion?—Not always; there are different proportions. The exact statement of these proportions is in print, and the proportions may be seen by it.

2010. Can you state on what that difference depends?—No; it depends on the local circumstances of each province. Those circumstances are reported to government by the Collector of the district.

2011. What is the law of succession with regard to landed property?—In one part of the island it descends in equal shares to male and female, according to the Dutch Roman law; in another part of the island according to the Hindoo law. In the northern portion of the island, containing four or five hundred thousand inhabitants, and in the eastern portion of the island, near Trincomalee, the Hindoo law prevails. Among the Cingalese of the British possessions, their law has been so completely modified by the Portuguese and Dutch conquests, that it is the Dutch Roman law which prevails.

2012. Have the Portuguese inhabitants possessions of their own?—There are descendants from the original Portuguese. There is scarcely any European Portuguese, but a great many descendants from them.

2013. What is the character of that Portuguese population, as distinguished from the European and the native?—Upon the whole their character is very good, depending a great deal upon the efficiency and the activity of their priests, because most of them are Catholics.

2014. Has any inconvenience arisen, that you are aware of, from the existence of that mixed race in the island, in the relations in which they stand, either towards the government or the native population?—I think not; quite the contrary; because I think they have, from their habits, much more feeling in favour of the European government than they have in favour of the natives of the country, and that they therefore are in that respect a security to the European government.

2015. Are they much employed in offices?—Yes; a great many of the writers in all the public offices are descended from the Portuguese and the Dutch.

2016. Are they numerous?—Yes.

2017. Where are those lands in Ceylon which you have described as being now uncultivated, but in former years in a state of cultivation?—The greatest portion of them is in the northern part of the island, within the district called the Wanny.

2018. If it were proposed to bring any portion of that land

19 Mar. 1830.

Sir A. Johnston.

into cultivation, what is the course the government would pursue?—The measure the government would pursue is that which I took the liberty of recommending to the government in 1809, and which was carried into effect by Lord Londonderry when I came to England in that year; it is that of granting lands in perpetuity to any persons who would take and cultivate them.

2019. Either to natives or Europeans?—Yes, to both. The government could have granted lands in perpetuity to natives, but not to Europeans, before the year 1809; for before that period the very same restriction that applied to Europeans holding lands in perpetuity in the Company's possessions in India applied to them in those which had originally been the Company's possession, but which had afterwards become the King's possession, in Ceylon. That restriction was taken off in 1809.

2020. It is granted as a freehold estate, and not upon the principle of the government retaining the proprietorship of the land?—As a freehold estate.

2021. Nothing in the shape of a quit-rent?—Not, according to my original plan. Whether it has since been carried into effect or not I cannot tell; but the object which I had in view was to induce Europeans by every possible encouragement to introduce their capital and skill into the country, which I knew to be absolutely necessary for the improvement of the country and the people.

2022. Have they done so?—In one or two instances, I understand, the government of Ceylon have done so.

2023. What taxes were they to pay?—It will appear by the printed proclamation, that that depended on the agreement between government and the parties to the grant; they were to be exempted from taxes for a certain period, and then to pay, I think, the tenth of the produce.

2024. Was the land intended to be granted fertile?—The land is very fertile; but in consequence of its having been allowed to lie desert for a considerable time, and in consequence of what is called jungle or bushwood having grown upon it, and a quantity of water having settled in particular parts of the land, it is at present unhealthy.

2025. How many years is it since it was cultivated?—It is at present hardly possible to say. I have lately instituted an inquiry into the subject in the Asiatic Society of Literature. It is a very interesting subject in a literary point of view.

2026. How do they clear the jungle?—They most commonly burn it; sometimes they cut it down, They burn it because the ashes make the best possible manure.

2027. Does it get up again soon?—Very rapidly.

2028. Are the manners of the Hindoo population of Ceylon the same as those of the Hindoo population of India generally?—The manners, habits, religion, and customs of the Hindoo inhabitants of the northern parts of the island are very similar to the habits, manners, customs, and religion of the inhabitants of the Southern Peninsula of India. 19 Mar. 1830. Sir A. Johnston.

2029. Have you observed in them any disposition to adopt the customs of Europeans?—No, I have not, of late years, in that part of the island.

2030. They are more free from prejudice than the Hindoos of the Peninsula, are they not?—I should doubt very much whether they are.

2031. Had any of them any property?—Some of them were formerly people of considerable property.

2032. Had they any inclination or means of consuming British produce or manufactures?—I should say that if their property increased they would certainly have such an inclination.

2033. They have a taste for them, as far as they are within their reach?—Yes, they have certainly a taste for them. There is a remark which I must make, which is, that the Dutch and Portuguese took much more pains to spread their tastes among many of the people of Ceylon than the English have thought it necessary to take to spread theirs amongst the people in the rest of India.

2034. By what measures?—By making the European dress, the European language, the European titles, marks of distinction amongst the natives, and associating in their minds an idea of respect with that of European customs.

2035. Is justice administered to the Europeans in Ceylon in a different way from that in which it is administered to the natives?—No; since the introduction of trial by jury one uniform system has prevailed.

2036. An European would be subject to the courts the same as a native?—Yes. The Chief and Puisne Judges of the Supreme Court are Judges of the High Court of Appeal in Ceylon. This answers to the Sudder Adawluts in Calcutta, Madras, and Bombay, and is a Court of Appeal from all the Provincial Courts in Ceylon. The same system is administered in this appellate jurisdiction, called the High Court of Appeal, to natives, it being administered by the same men, as is administered in the Supreme Court to Europeans. The Judges are bound to administer the same system in both courts.

2037. Do you consider the half-caste as Europeans or natives?—We always consider them as natives; we are bound to do so by law.

2038. Was the Regulation which you alluded to on the

19 Mar. 1830. former day, of Sir Thomas Munro, with respect to the trial by jury, founded on that which was the actual practice in Ceylon?

Sir A. Johnston. —I do not know. I met Sir Thomas Munro in 1817. He seemed to approve of the jury system in Ceylon. On referring to a letter (which is now published in his Life) from him, dated at Madras, to Lord Hastings, he distinctly states that he thinks the natives are the fittest persons to be jurors in criminal cases, and that they ought to be so.

2039. As you have read that minute, and know the practice in Ceylon, how far does it conform to the practice?—I have no hesitation in believing that the Regulation, though modified by local circumstances, is founded on the institutions of juries in Ceylon.

2040. Was the verdict of the jury in the cases in which they were engaged final?—Yes, completely so; it was never interfered with.

2041. An appeal lay with respect to the law?—No appeal lay in criminal cases. If the jury found a prisoner guilty, the Judge passed sentence; but if it was a case of death, there was a reference to the Governor before the sentence was carried into effect; and in a case of recommendation for pardon, it was sent home to the Secretary of State for the Colonies, to be laid before His Majesty.

2042. Are you at all acquainted with the character of the population of India?—The way in which I first became acquainted locally with the character of the population of the Southern Peninsula of India was, that in the year 1808 I proceeded by land from Cape Comorin, through the provinces of Tinnivelly, Ramnad, Madura, Trichinopoly, Tanjore, and Arcot, to Madras, and back again, for the express purpose of having an opportunity of observing the character of the people, and the nature of the judicial establishments instituted by the East-India Company in those provinces; and in order that I might, when I came to England, under a commission from the Governor of Ceylon, in 1809, be able to state to the late Lord Londonderry what conclusions I drew from the comparison of the two establishments, that of the Madras and that of the Ceylon government.

2043. Was the effect of that examination to lead you to believe that the population of India were less fit to be trusted with the functions of jurymen than those of Ceylon?—I thought they were just as fit, perhaps more fit, to be trusted with the rights of jurymen than the population of Ceylon, because, generally speaking, they were better educated.

2044. Did you present any report to the Colonial Office upon that subject?—As I came home myself, I presented no formal report. I forget whether I wrote any private letter to the

office. I had constant personal communication with it, and it was in consequence of that communication that the new charter was made out. There were many points upon which Lord Londonderry wished me to consult the present Lord President of Scotland, particularly on the subject of the majority and number of the jury, which is different in Ceylon from this country. What passed was mostly in verbal communication.

2045. With respect to the part of India to which your observation applied, was the population chiefly Hindoo, or was there a considerable proportion of it Mohamedan?—The greatest portion were Hindoos.

2046. In giving the character which you have of the population, do you make any distinction between the Hindoos and the Mussulman population, as to their fitness for being jurymen?—No. In Ceylon they appeared much the same as to their efficiency as jurymen.

2047. Did they appear the same as to integrity?—Much the same, I think, I am not aware of any particular distinction. There is one thing I can say with reference both to the Mohamedan and Hindoo population, that I have invariably found amongst the higher classes of the military portion of the Mohamedan population a higher sense of honour than I have found among the lower classes of the population of the Hindoos; but I have also found precisely the same thing among the higher classes of the military population of the Hindoos, such as the Rajepoots; I have found amongst them men that I would have trusted with any thing. So I have among the higher classes of the Mohamedans.

2048. Did you feel any difficulty in the working of that system of juries in Ceylon?—None whatever.

2049. Were the decisions of the jurors ever applied to civil cases?—No, they were not, in Ceylon. My reason for not applying them to civil cases at first was because before I did so I wanted to see how the system worked in criminal cases; and because also, I wanted, in the first instance, to avoid making the duties of jurymen burthensome on the people of the country, till I had made them feel that it was an honour to belong to the class of jurors; but, on coming home in 1818, it was my intention to recommend the institution of civil juries and grand juries in Ceylon.

2050. Have you any institution in Ceylon similar to that of the punchayet in India?—I should think that three or four hundred years ago the system of punchayet must have prevailed in Ceylon, as it did in other parts of India.

2051. Was there any thing of the kind practically applied in the decision of cases between the natives, at the time you introduced the trial by jury?—They had a system of arbitrations.

19 Mar. 1830. —— Sir A. Johnston.

They did not use the word punchayet; they called it arbitration, and made use of that word for it in Tamul which, if translated into English, means arbitration.

2052. In the Regulations of Sir Thomas Munro, he appears to make the verdict of a majority binding; was that the case in Ceylon?—It was. I am quite sure that if I had required unanimity, and had shut the jurors up till they had come to an unanimous determination, they would have had a perfect dislike to the institution; they would have supposed that the court had some view, and wished to make them give an opinion contrary to their own opinion.

2053. The manner was that of the Scotch?—It is. I went down to Scotland, and communicated with the present Lord President, then Lord Justice Clerk, for three weeks or a month, on this point. My opinion upon the subject was confirmed by that communication. When I came back to England, it was recommended that the Ceylon jury should decide by a majority, and that the number of the jury should depend upon local circumstances; that it should be either five, or seven, or nine, or whatever number might be thought advisable by the Judges of the court. Upon this the then Attorney or Solicitor-general, I am not sure which, objected to the introduction of any modification of our form of jury, thinking that, as our jury was a system that had been found to be the very best for ages, it ought to be introduced as it was. I thought that it would have put an end to the popularity of the whole thing, if I introduced the system as it was in England. Lord Londonderry, therefore, in a conversation with me as to what was to be done upon the subject, said, that as in Scotland it was by majority the jury decide, that would be a very good authority to make it the same in Ceylon; and Lord Londonderry accordingly agreed to that, and to the number of thirteen, although not in accordance with the opinion of the Attorney-general.

2054. What number of jurymen are charged with the prisoner?—Thirteen. The court may summon, at times, as many as from five to six hundred, to prevent the possibility either of their being bribed or of their being overawed.

2055. Had you ever had any reason to suspect corruption in the jurors?—Never.

2056. Were you generally satisfied with their verdicts?—Generally; I may say almost always.

2057. How was the trial conducted before the jury?—In Ceylon the public prosecutor stands in the same situation in which the public prosecutor, the Lord Advocate, stands in Scotland. The prosecution is carried on on behalf of the public. There is no grand jury. The prosecutor, who is the Advocate Fiscal, states to the court and the jury the circumstances of the

charge; he states it in English, it being translated into the language of the jury and the prisoner. Of course he is bound to speak deliberately, and to state the fact clearly. Having stated his case, he calls his witnesses to prove that case; he examines those witnesses in the first instance, or what is called in chief, by an interpreter; the interpretation being such, if the jury does not understand the language of the witness, as to convey what he says to the jury.

2058. Did the jury ever take a part in the examination of witnesses?—Constantly: they asked questions and made notes, and were very particular. When the prosecutor had closed his case, the prisoner stated his defence. It was translated to the Judge into English; and of course, if it was not delivered in the language which the jury understood, it was translated to the jury. When the prisoner had made his defence, he called his witnesses, who were examined by him, if he pleased; or, if he preferred it, by a person who, on my recommendation, was appointed by government to act as the advocate for all prisoners and paupers. If the prisoner thought his case was safer in the hands of this public officer, he made him examine his witnesses. This officer was intended more for a protection for prisoners than for any thing else.

2059. The witnesses for the prisoner were examined in the same way by the jury?—Yes; and cross-examined by the prosecutor. The whole trial was carried on in such languages as were understood by the jury, by the prisoner, and by the Judge; the Judge taking notes of the case, and the jury also taking short notes. When the prosecutor had finished examining his witnesses, and the prisoner had finished examining his, then the Judge read over his notes to the jury, the jury correcting those notes, if they thought the Judge had put down any thing that had been misinterpreted to him. By correcting, I of course do not mean to say that they had any right actually to correct the Judge's notes, but merely that if the jury thought there had been any misinterpretation to the Judge, they had a right to tell the Judge so; and it was the Judge's duty to ascertain whether his notes were or were not correct. It was a great and salutary check upon the interpreters. I always wished the jury particularly to see that the whole interpretation was correct. When this was done the jury, if they had no doubt upon the subject, at once delivered their verdict, by saying that the majority of them were of opinion that the prisoner was either guilty or not guilty. If they had any doubt, they retired to an adjoining room, and came back and gave their opinion in court.

2060. Was sentence passed immediately?—No.

2061. The Judge summed up?—Yes. All that he did was merely to read over his notes, and remark upon the evidence, but not endeavour to enforce any opinion of his own upon their

19 Mar. 1830. minds. If there was any question of law he wished to point out, he did so.

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Sir A. Johnston.

2062. Did this summing up pass to the jury through an interpreter?—Always, if they were not English Europeans.

2063. Did it appear to you that the natives could be satisfactorily examined through an interpreter?—With the jury to correct any misinterpretation, I thought there could be no danger whatever.

2064. Did not that depend upon your belief that the jury would examine them accurately, though the counsel might not? —I thought that the danger of a false or mistaken interpretation was of course removed by thirteen natives sitting with me in court, who were most likely to be able to tell me if the notes of evidence I read over to them were correct as to the evidence given by the native witnessess.

2065. Did they appear very anxious to do their duty?—Very anxious.

2066. Do you think that this species of trial would be applicable in civil cases to most places where they have been accustomed to decide their differences by means of punchayet?—I should think so, for it is only an improved description of punchayet.

2067. What is the number of which a punchayet consists?—Of five; it comes from the word *paunch*, or five.

2068. As you have had a good deal of practice in the native courts, how far do you concur in the opinion distinctly given to Lord Hastings by Sir Thomas Munro, in the last letter he wrote to him, that no European was competent to examine the native evidence?—That is expressing a more general opinion upon this subject than I should venture to do. I should certainly say, that generally speaking, a native was more competent than an European (if you can get the fair unbiassed opinion of the native) to give his opinion upon a point of native evidence. The great difficulty is to get at the unbiassed opinion of a native. Of course an European who has been living with natives many years, generally speaking, must be competent to examine them and weigh their evidence.

2069. How is the court of appeal you spoke of composed?—It is composed of the Governor, the Chief and Puisne Justices, who are the two Judges of the Supreme Court, the Chief Secretary of Government, and the head of the Revenue Department. The Chief Secretary of Government and the head of the Revenue Department are two of the civil servants of His Majesty in Ceylon.

2070. How is justice administered in the interior?—I do not know. At this moment I believe it is under discussion. That has nothing to do with the Supreme Court. The part of the

19 Mar. 1830.

Sir A. Johnston.

interior called Kandy is kept entirely distinct. What the system there at present is I am not aware.

2071. You cannot speak to any jurisdiction beyond the Supreme Court?—I can speak to the whole of the jurisdiction in the maritime part of the island, and in the whole of the territory which the British Government possessed before the conquest of the Kandyan territories. The jurisdiction of the Supreme Court in criminal matters extends over every part of the British dominions that were British before the conquest of the Kandyan country. The Supreme Court administers that jurisdiction partly at sessions held at Colombo, and partly at sessions held on circuits made throughout the ancient British territories on the island.

2072. The Dutch were considerable proprietors of slaves, were they not?—Of domestic slaves.

2073. Did they not agree that after a certain period all slaves born of their slaves should be free?—They did.

2074. Was that agreed to by the Dutch gentlemen who formed the grand jury?—It was, by the Dutch and other proprietors who were jurors in every part of the British possessions.

2075. That example was imitated by all the others?—It was, by all the proprietors of domestic slaves in Ceylon.

2076. You are understood to have stated, that the Hindoos of Ceylon were not disposed to adopt European habits and fashions?—I do not think they are indisposed, but they have not the means.

2077. Do you think they were less disposed than the other Asiatic inhabitants of India?—I think they are more disposed than the generality of the people of India.

2078. Do not you think that the peculiarity of their religious creed and the institution of caste has a very strong tendency to indispose them to change?—I believe that caste makes it more difficult to alter them than would otherwise be the case. The idea of caste has been associated, for a long time, in their minds, with that of their religion. I do not think that it was originally so. I believe, from what I have seen in the books of the Buddhists, that caste in India was, at first, merely a political division, much the same as the political divisions of society in Europe were in ancient times; but that some artful politician united the idea of caste with religion, to make the distinctions of caste more permanent; and that the early distinctions of society in India, from being united with religion, have been longer preserved than they were in Europe.

2079. Do you think that the Hindoo creed has a stronger tendency to keep those who were subject to it in a state of ig-

19 Mar. 1830.

Sir *A. Johnston.*

norance than the Mohamedan creed?—No; I am not aware of any reason for believing that; I think not.

2080. Do you think that the Hindoos are generally in an uncivilized and degraded state, as compared with the Mohamedans of Hindostan?—I think not.

2081. Do you think there is more flexibility of character in the Hindoo than in the Mohamedan?—No, I do not think that there is. The most genuine Hindoo manners and Hindoo feelings are to be found in the southern part of the Peninsula of India.

2082. You do not conceive that either the peculiarities of the Hindoo religious creed, or of the natural character of the individuals, produce any peculiar obstacle to change of habit? —No, I think not. There is a work lately published, which decidedly shows that this is not the case; it is the work of Mr. Rickards, a man not speaking from theory, but speaking from great personal observation and experience in India.

2083. Were challenges allowed to jurymen?—Yes; five peremptorily, and others for cause.

2084. Were the juries in the island of Ceylon composed partly of Europeans and partly of natives?—No; of all natives to try natives. It depends upon the case. If the prisoner is a Brahmin, the jurors are all Brahmins, unless he wishes to have a jury of other classes.

Sir Alexander Johnston then delivers in a copy of a memorandum, which, at the request of the late Marquess of Londonderry, he had drawn up for his Lordship, a short time before his death, in consequence of a conversation which had passed between his Lordship and Sir Alexander, with respect to the improvements which might be introduced into the system for administering justice in India, and in consequence of his having asked Sir Alexander to put down upon paper for him the result of the different observations which he had made upon that subject during his residence in Ceylon from 1802 to 1818, and during the two journies which he had taken, the one in 1808, the other in 1816 and 1817, through the southern provinces of the Peninsula of India, for the purpose of becoming locally acquainted with the people and the country, and comparing the system of administering justice in those provinces with that which prevailed throughout the British possessions on the island of Ceylon.

MEMORANDUM.

"The Supreme Court at Madras to consist of six Judges, to have a criminal jurisdiction over all the territories and persons, natives as well as Europeans, under the Madras Government.

"The Judges to make frequent criminal circuits throughout those territories, having native grand and petty juries for the trial of native offenders at each place where they hold their criminal sessions.

"The Sudder Adawlut at Madras to consist of the Judges of the Supreme Court, and a certain number, as at present, of the Company's senior civil servants.*

"A person, either from the Scotch, the English, or the Irish Bar, to be attached as legal adviser to each of the four provincial courts under the Madras Government.

"An Act to be passed, specifying what part of the English law shall apply to the British and other Europeans in India.

"That a Hindoo code, for the use of all the Hindoos under the Madras Government, be forthwith drawn up, in communication with the best informed Hindoos in each of the provinces under the Madras Government.†

"That a Mohamedan code, for the use of all the Mohamedans under the Madras Government, be drawn up, in communication with the best informed Mohamedans in each of the provinces under that government.

"That a Regulation be framed, specifying the nature of the different acts which are to be deemed criminal offences, and the nature of the punishment which is to be attached to each of those acts.‡

"That the Hindoo and Mohamedan code, and this last-mentioned Regulation, be translated into all the different languages which prevail throughout all the British territories under the Madras Government, and that they be published throughout those territories.

That all the respectable natives of the country be admitted to act, as frequently as possible, as grand and petty jurymen, as Judges and as Magistrates, under the superintendence and controul of the Supreme and Company's courts.

"That the proceedings in the Company's Courts be carried on in the most usual language of the people of the country in which they are established; that writing be dispensed with as much as possible in those proceedings; and that all suits be decided as near as possible to the homes of the parties and witnesses who are concerned in them.

"That a code be made of all the different maritime customs and laws of all the different classes of natives of India who trade with any part of the coasts of the Company's territories in India, and that it be translated into all the different languages which are in general use amongst those people, and that it be made as public as possible amongst them.§

* See, upon this subject, the statement given by Sir Alex. Johnston to the Master of the Rolls.

† See, upon this subject, the Regulation issued on Ceylon, and the code of Hindoo customs and laws drawn up under the Bombay Government by Mr. Elphinston's orders.

‡ See, upon this subject, the Regulation drawnup at Bombay, in 1 827, upon the criminal law.

§ See, upon this subject, the statement given by Sir Alexander Johnston to the First Lord of the Admiralty.

19 Mar. 1830. — *Sir A. Johnston.*

"That native as well as European Judges be appointed at the most convenient ports, to decide with the least possible delay and expence all such maritime cases as may be brought before them.

"That a right of appeal be allowed from all the superior courts in India to the court in England for hearing India appeals, in all cases of a certain amount and a certain description.

"That the court in England for hearing India appeals be composed of the Judges who retire upon pensions from the Supreme courts in India, Ceylon, the Isle of France, and the Cape of Good Hope, and of some of the Company's retired civil servants who have been Judges of the courts of Sudder Adawlut in India; and that it be perfectly understood that the Judges are to receive no other remuneration but their pensions for belonging to this court.*

"That the President, and one other of the members of His Majesty's Privy Council, being a lawyer of professional eminence and high rank, be appointed by His Majesty to preside in this court.

"That a certain number of the Judges of this court be in regular attendance, for the purpose of trying all such cases of appeal as may come before them.

"That they deliver into both houses of Parliament, at the commencement of each session, a statement of the number of cases which have come before them; the number which they have decided; and the number, if any, that are in arrear.

"That they also deliver in to both Houses of Parliament, once every year, a report of the state of the system for administering justice in India; specifying what defects they have observed in that system, and what improvements they propose.

"That the Judges of all the differemt Supreme Courts in India be appointed as the Judges in England are appointed, not during pleasure, but during good conduct; and that they be removeable from their offices only by addresses from both Houses of Parliament to the King."

The witness is directed to withdraw.

Ordered, That this Committee be adjourned to Tuesday next, one o'clock.

Die Martis, 23° *Martii* 1830.

The LORD PRESIDENT in the Chair.

JAMES COSMO MELVILL, Esq. is called in, and further examined, as follows:—

23 Mar. 1830. — *J. C. Melvill, Esq.*

2085. Will you turn to No. 40 of the printed paper laid before Parliament relating to the finances of India. You will find there a statement of commerce of British India with Great Britain and other countries. Will you state what was the amount of import into Bengal from Great Britain in the year 1826-7, stating it in pounds sterling?—£26,935.

* See the statement upon this subject given by Sir Alexander Johnston to His Majesty's Ministers and the Board of Controul.

2086. Turn to the next page, the same item, and state what are the exports from Bengal on account of the East-India Company to Great Britain?—£1,718,890. 23 Mar. 1830.

J. C. Melvill, Esq.

2087. What do you understand by the term "commerce," when the imports are more than forty times as great as the exports?—I understand the excess of exports from Bengal to arise from the necessity under which the East-India Company are placed, of bringing home from India produce, the proceeds of which are required to repay the advances made in this country on account of the territorial charges.

2088. Then, in fact, it is not commerce, but it is proceeds of goods purchased in India?—It is a trade of remittance.

2089. In fact, what is generally understood by the term "commerce" does not exist, or exists to a very small degree, between the East-India Company and their possessions in India? —If by "commerce" your Lordships mean transactions beginning with the export of goods from this country to be returned in produce.

2090. Your accounts are divided into territorial and commercial accounts. A great profit appears to exist on this trade account; is that credited on the territorial or the commercial account?—The cost of the surplus of the Company's exports from India beyond their imports into India, is credited to the territorial by the commercial branch, as so much repaid of the advances made out of the commercial funds in England on the territorial account.

2091. When you use the expression, "surplus of the exports from India," you mean that sum applied in India in any one year to the purpose of investments for Europe beyond the sum that would have been produced by the proceeds of the commercial exports to India in that year?—Clearly.

2092. In your statement of the annual deficiency of the territorial revenue, this sum of fourteen or fifteen hundred thousand pounds is brought to the credit of the territory before that deficiency is made out?—The transactions between the territorial and commercial branches do not enter into the statement of the revenues and charges of India. I will explain the principle upon which the statement which shews the deficiency is made up. We credit every thing that can be considered as territorial revenue, and we debit every thing that can be considered as charge, including all charges which have been incurred and paid in England, as well as those incurred and paid in India; and the balance of the account so made out shews either the sur plus or the deficiency.

2093. Will you turn to page 16 of these accounts, and state what is understood by the term, "revenues realized;" does that mean net or gross revenue?—The term implies gross revenue realized in cash.

23 Mar. 1830.

J. C. Melvill, Esq.

2094. Has it been ascertained, since you were here last, what the deficiency in the revenue of Bombay arises from?—No further information has been received than I stated to the Committee on Tuesday last.

The witness is directed to withdraw.

Sir EDWARD HYDE EAST, Bart., M.P., attending, is called in, and further examined as follows:—

Sir E. H. East, Bart.

2095. Have you had an opportunity, since you were here last, of referring to a paper to which you alluded, respecting the amounts of salaries and emoluments received by officers of His Majesty's Supreme Court of Judicature at Fort William and other settlements?—I have one of the papers ordered to be printed by the House of Commons on the 5th of February in the present year, which contains the exact account of all the returns made by the officers of the court; it is the most authentic document of the actual receipts of salaries and fees.

2096. Have you had occasion to refer to the paper you formerly delivered in, respecting the British population within the jurisdiction of the Supreme Court at Calcutta, and the other matters connected with the judicial system, and with respect to laws and usages?—I have. I have brought into the text many of the marginal notes I had made from time to time, as my experience grew on those subjects; and I have also made a few small explanatory additions. I cannot present the third set of papers, relating to the proposed reforms of the Mofussil laws, courts, and practice, as containing a perfect system, but only as pointing out the several respects in which I think the present system is capable of amendment.

2097. With reference to the paper of fees to which you have adverted, printed by the House of Commons; when the principal settlement took place in 1803, were they increased or diminished, as compared with fees formerly received?—I believe that, in every instance where any alteration has taken place at all, within my knowledge, they have been diminished. I cannot answer for every particular, for the mass of them were framed long before I went to India; but in every instance that I am aware of, where any alteration was made in the fees, I believe they have been diminished: I am sure the alteration was never undertaken with a view to increasing them.

2098. Are you aware that many fees were received for which there was no authority at all?—So I see stated in that return. I was not aware of the fact before I read it in that return.

2099. You cannot state what steps were taken upon those fees so received without authority?—I cannot. I should observe that there are several of the offices in the Supreme Court at Calcutta that, in point of emolument, are very much better

23 Mar. 1830.

Sir E. H. East, Bart.

than the situation of the Judges themselves; but that has arisen, in a very great degree, from the increase of business from time to time. When the business originally was much more contracted, perhaps the fees altogether did not amount to more than under circumstances might have been thought proper; but as the business increased, with the amount of the fees originally settled, those offices became certainly very much overpaid. I should imagine, that with respect to several of the offices mentioned in the paper referred to, as the fees amount to so much as they do, there would be no reason at all for retaining the salaries in addition to the fees.

2100. Is stealing from the person a capital offence in India? —Stealing from the person and a variety of other offences have been lately reduced into one Act, the Act of the 9th George IV., by which the criminal statute law of India has been mainly assimilated to the present state of the criminal law in England; and therefore a great many of the anomalies and inconsistencies that before existed in the King's Courts in India have been done away, and the greater part of the criminal law of India now, at least in the Supreme Courts, is the same as in this country; and where there is still any difference in the mode of dealing with the same offence, it is in mitigation of the punishment rather than in aggravation of it.

2101. Has a similar alteration taken place in respect of the Act for maiming and wounding?—Yes; the Act called Lord Ellenborough's Act has how been extended to India. I have mentioned, in one of the papers now delivered in by me, an instance which occurred before myself, of having two offenders tried in the same sessions, one who came under the Black Act, and the other under Lord Ellenborough's Act, before the provisions of that Act were extended to India, when I was obliged to pass a much milder sentence on the more atrocious offender of the two, at the same time that I was under the necessity of passing sentence of death on the other, whose offence, though coming within the Black Act, was of a much less atrocious character, in point of moral guilt, than that of the former.

2102. Is it usual now to substitute labour for transportation? —It is not yet so. That is one of the recommendations which I have made in the papers I have presented, and especially in the interior of the country. The transporting a man who is to go a thousand miles overland before he is transported across the seas is quite incongruous, and must add greatly to the expense. There is another recommendation I should advise in the treatment of offenders adjudged to imprisonment that exists in the Mofussil courts. It is a practice with them, where offenders, except of a very atrocious kind, are adjudged to be imprisoned, to direct that they shall be worked out of doors in the daytime: and I think that is a very important and necessary altera-

23 Mar. 1830.

Sir E. H. East, Bart.

tion to be made in the law there as administered by the Supreme Courts; for in that climate, and with natives of the description who are usually subjected to imprisonment in our gaols for larcenies and such like offences, the mere confinement within a gaol is really of little effect to the individual; very often it is a physical advantage to him, though a moral disadvantage, for he often gets better fed and better housed than in his own house. In point of health, also, it is very desirable that, in all cases where imprisonment is awarded as a punishment for offences, the court or the government should have an opportunity of directing the offenders to be employed in works out of doors. They can rarely be employed in works within the gaols; and being kept there without any employment at all engenders bad habits. It would be a great improvement if such an alteration were to take place.

2103. Do you not think it would be attended with advantage if in the Hindoo courts of law in which the Persian language is now used the English language was substituted?—That is my opinion. I believe it would be both reasonable in furtherance of justice, and politic also in the government. I have stated my reasons more at large in the papers I have presented.

2104. Are not the fees received by the officers of the different courts under the controul of the Judges of those courts?—Certainly they are, in respect of all proceedings in causes in court; but I am not sure whether there are not some fees regulated by Act of Parliament in particular cases. If I recollect rightly (but it is now several years since these subjects have been passing from my recollection), the Act which imposed the duty of taking out administration to deceased persons who had no legal representatives on the spot on the Registrar of the Supreme Court, mentioned what fees he was to receive for such service. But however this may be in particular cases, I may say generally that all the fees of the officers of the court are under the controul of the court.

2105. Are the Judges in the habit of looking periodically to the fees taken, that there may be no abuse?—The fees ordered to be taken are settled in the table of fees, and I believe are regularly taken accordingly; and occasionally, from time to time, as the business has increased, or the attention of the court has been particularly called to the subject, they have been looked at; but I cannot say that they have been looked at very frequently.

2106. The question referred to those not provided for in the table?—I never heard, before I saw the return lately printed by order of the House of Commons, that certain officers had taken fees without having express authority to do so. No fees, of course, could be legally taken without the authority of the court.

The witness is directed to withdraw.

RICHARD JENKINS, Esq. is called in, and examined as follows:

23 Mar. 1830.

R. Jenkins, Esq.

2107. What situations did you hold in India?—I held the situation of Political Resident at the court of Nagpoor for the greater period of my residence in India.

2108. What was the general nature and character of the Nagpoor government?—It is rather difficult to describe its general nature and character in a few words, otherwise than by saying it was originally a military government, but that its principles were in some measure modified by the circumstance of the Rajah having himself risen from the cultivating class. He was also checked in his court by the opinions and influence of his chiefs; and generally his government was as mild as could be expected under those circumstances; but the chief object of government was to collect revenue, and there was very little attention paid to the judicature or the police of the country, which were left very much in the hands of the subjects themselves.

2109. Under what system was the land revenue collected?—The system was a system of village settlement principally. The immediate demand of government was on villages. The Potail was the middle-man. He was both agent of government in collecting the rents, and the chief farmer of the village, to whom the ryots looked up for any pecuniary assistance on all occasions on which they required it.

2110. Was the Potail simply responsible for the payment of the revenue?—He was the responsible person for the payment of the revenue.

2111. He had power committed to him of obtaining payment from the ryots?—He had; but the government so far interfered as to insist on his engagements with the ryots being recorded in a rent-roll, which specified the name of each ryot, the field he occupied, and the circumstances which changed every year, in order to be on the one hand a check upon the Potail that he did not oppress the people, and that they might on the other hand see what he collected, he himself receiving a nominal sixth, I think, of the rents which were collected from the village altogether; that was his remuneration.

2112. Was the payment by each ryot changed from year to year?—Yes, if the ryot was content, under all circumstances; but it must be said that the demand on the Potail was regulated by the government, without immediate reference perhaps to the state of his collections. They demanded certain sums according to the necessity of government, and the Potail was bound to provide for realizing that sum, in proportions, of course, from each ryot according to what they had paid in the previous year.

2113. If there was a difference between the Potail and the

23 Mar. 1830. — R. Jenkins, Esq.

ryot as to what they should pay, how was that settled?—By the Pergunnah Collector, the Pergunnah consisting of a certain number of villages; perhaps 75,000 or 80,000 rupees on an average.

2114. Had they ever recourse to a punchayet under those circumstances?—Under those circumstances, I think they have not.

2115. What was the general state of landed property?—In the Nagpoor territory, the greater part of it, there were in fact no rights to the soil either in the Potails or in the ryots; the Potails were generally Ijarahdar Potails; they held their office at the will of the government.

2116. Were they military officers as well as collectors of the revenue?—Entirely agriculturists.

2117. What appeared to be the general effect of the system on the prosperity of the country?—As long as the wants of the government were not pressing, the effect seems to have been very good. The country was originally conquered by the Mahrattas from a very poor race, and they, by means of cowls and other encouragements, brought it into cultivation, and it advanced to a certain degree of prosperity, which is spoken of very advantageously in general.

2118. What is a cowl?—It is a promise not to collect above so much in a certain number of years from the land, and the persons then engage to employ their capital and bring it into cultivation.

2119. A cowl is an agreement with the Potail for a term of years?—It is a kind of protection on the part of the government from any extra demands upon him for a certain number of years.

2120. What was the usual number of years for which that arrangement was made?—I think five years was about the usual period, or from five to seven.

2121. Was that considered sufficient?—That was generally considered sufficient for bringing a village into that state under which the government agent would pronounce a fair rent ought to be paid for the lands according to the general rates of the country

2122. What was the system of civil and criminal justice?—The system of civil and criminal justice scarcely can be said to be any system at all. Justice was administered in petty criminal cases by the Potails or the heads of the Pergunnahs; or, if they amounted to any serious offence, they were generally brought before the Rajah himself; or where there was a Subahdar under the Rajah, who had charge of the province, he decided those superior causes. It was the same in civil cases. The Potail would decide the smaller ones, either personally or

by punchayet, and the Collector of the Pergunnah in the same way. The higher ones went to the Rajah or the Subahdar. 23 Mar. 1830.

R. Jenkins, Esq.

2123. Did they on all occasions convene a punchayet?—Generally on almost all occasions.

2124. Were they bound to abide by the decision of the punchayet?—There was an agreement taken from the parties, which bound them to abide by the decision of the punchayet; and the general feeling of the country was very strongly in favour of the punchayet. They considered its award almost as a decision from heaven, according to the proverb they applied to it.

2125. How were the members selected?—Usually each of the parties selected two, and the fifth was nominated by the local authority, president, or punj, as he was called in some parts of the country.

2126. By what laws were the proceedings regulated; had they any established law?—There were no established laws; it was generally a thing left entirely to their discretion, according to the local circumstances of the country, which every person in the village was supposed to understand more or less. If it was a case of inheritance or a partition of property, it was decided according to the Hindoo law. They called in the assistance of a Shaster to expound it; but usually it was a very summary kind of proceeding, with no fixed law.

2127. Did the customs vary very much from village to village?—It is difficult to say that they did vary; the decisions would probably vary considerably.

2128. Are there any courts of appeal?—There was always a petition open to the Rajah or the different local authorities, as a matter of course; but it depended very much upon the circumstances of the parties whether the person to whom the petition was made would pay any attention to it.

2129. From what class of persons was the Subahdar taken?—The Subahdar was usually a military officer; he combined both military and civil powers in his district.

2130. Were there any persons of large hereditary property in the country?—There were none at all. Every situation under government was to a certain degree hereditary. Though the emolument might pass to another, the name always remained, and perhaps part of the fixed salaries would remain to the old incumbent.

2131. Was that habit preserved in the case of a Subahdar?—I think not in the case of a Subahdar. I speak merely of the ministers of the Rajah.

2132. From what class were they selected?—They were generally Brahmins.

23 Mar. 1830.

R. Jenkins, Esq.

2133. What was the system of police?—The Potail and the village officers were the general moving power in the country, and the village community were all more or less bound to assist; but there was one officer in particular, called a Cutwal, in each village, one or two, according to the size of the village, whose peculiar duty it was to keep the peace.

2134. Were they hereditary?—Those were generally hereditary.

2135. Were they paid in money or by land?—Partly one and partly the other; the custom differed in different parts of the country.

2136. Under this administration was there any security of person or of property?—Latterly there was very little security of person or of property. The country was overrun by Pindarrees, and the Rajah himself being reduced to distress by keeping up larger bodies of troops than his finances could sustain, turned plunderer himself, and employed robbers to take away the property of every person who had any; and this was not only all over the country where it might be unobserved, but in the city of Nagpoor itself.

2137. Before that state of things commenced, had there been security of person and property under the Rajah?—There certainly was, to a considerable degree.

2138. After the year 1818 the government was administered to a certain degree by British functionaries, was it not?—It was.

2139. Can you state the extent of the country subjected to British functionaries?—The country was very large in proportion to its produce and population; it was never regularly measured, but it was estimated at about seventy thousand square miles. The population was about two and a half millions, excluding some of the more wild districts of which we could not ascertain the population.

2140. Was that the whole population of the Nagpoor territory?—It was, as far as we could ascertain the whole population of the Nagpoor territory, with those exceptions. The revenue was about forty-six or forty-seven lacs of rupees.

2141. What changes were introduced into the administration of the country?—We left every thing almost as we found it, as far as the forms and the names of the officers went; but European officers were placed in situations where Subahdars had been before, to exercise a general superintendence over the country. They managed the revenue through native collectors of the subdivisions.

2142. What number of British officers were so employed?—I think it was divided into five superintendentships.

2143. Did those British officers administer justice as well as take care of the revenue?—They did.

2144. Were appeals made to them?—Appeals were made to them from the decisions of the native Collectors of the smaller divisions, in all cases above a certain amount.

2145. Was the police under their direction too?—Yes, it was. The administration of the country, in revenue, police, and judicature, was under their charge.

2146. Was any alteration made in the mode of settling the revenue?—There was no alteration in the mode; they still made their settlements through the Potails. The village rent-rolls, which had been very much corrupted, they endeavoured to reduce to their original purpose, *viz.* to express faithfully the engagements between the Potails and the ryots, and to make them records by which both sides should be bound, instead of obliging the Potail to grant leases, which was not the custom of the country.

2147. Did the revenue vary from year to year under this management?—Under this management it varied in some degree from year to year, according to the seasons rather.

2148. The assessment was considered the same?—It was generally the same.

2149. Was it a low assessment?—I think upon the whole it was low.

2150. Much lower than that which had in former times been exacted?—Yes, judging of the effect of the administration; the country increased under it in population and in revenue.

2151. Was there considerable improvement in the state of the country?—It was very sensible.

2152. Did the people appear to be very well satisfied?—They were in general very well satisfied. Some of the higher classes probably, whose oppressive exactions were put a stop to, and whose importance was in consequence under a cloud, were not so well satisfied as the general mass of the inhabitants were.

2153. What was the opinion you were led to form regarding the probity and efficiency of the native officers?—With regard to their efficiency, we always found officers sufficiently qualified to perform the duties assigned to them. We took the officers, generally speaking, as we found them. We were careful not to exact too much from them in the way of probity, hoping that in the course of time, seeing we were resolute that they should be as pure as we could make them, they would improve; but we feared that if at first we evinced a disposition to exact more than we were authorized to do, all improvement would be com-

23 Mar. 1830. pletely checked; and at last, I believe, there was very little peculation or misbehaviour generally among them.

R. Jenkins, Esq.

2154. Had you occasion to dismiss or punish any of them?—In the first instance a few were dismissed; but, as I observed before, the orders to the superintendents were not to be over severe with them in that respect, but to endeavour to reform rather than to punish.

2155. Did you make any arrangement for the purpose of preparing the country for a purely native administration?—All our arrangements were completed with that view. We wished rather to bring the country back to what it had been in its best times, than to introduce any European principles into the general administration. With the exception of that, we adhered to the system we found in force, which system seemed of itself to be sufficiently well calculated for all the purposes of good government.

2156. The only practical alteration you introduced was that of establishing British officers at the head of the districts?—In the judicial department we insisted on having regular records of decisions, both in criminal and civil cases, to a certain extent. Of the smaller causes only, which were decided by the Potails and punchayets, we had no record; but when the government officers, the native collectors, were employed in the administration of justice, they were obliged to record their decisions, and the grounds of them. The superintendents also, who decided the civil causes, regularly recorded their decisions, and the whole evidence.

2157. A part of the territory was lately restored to the native prince, was it not?—The central part, the part in which there was the smallest number of wild Zemindars, whom he could not be expected to manage well, was restored to the Rajah.

2158. What circumstances induced you to restore it to the Rajah, after having had it under your administration?—The Rajah's coming of age.

2159. What syste m of administration is now adopted, or was recommended to be adopted, in that part of the territory now restored to the Rajah?—The same system is still continued, except that where there was an English superintendent before there is now a native superintendent.

2160. Sufficient time has not elapsed to form a judgment how far that has succeeded?—No.

2161. What are the peculiarities of that part which still remains under the British government?—A very large proportion of the country is in the possession of wild Zemindars, who pay nothing but a quit-rent to government. They are in great measure independent in the exercise of their authority over the country.

23 Mar. 1830.

R. Jenkins, Esq.

2162. The system of administration in that part of the country was probably always different from that in the country nearer Nagpoor?—The system of administration is the same, as far as that which pays revenue immediately to government is concerned; but the irregularities were greater the further it was from the seat of government.

2163. If the whole land territory taken from Nagpoor under your management had been placed under a management similar to that which has been established in other parts, do you think the country would have been in a greater state of improvement? —I cannot think it would have improved much more than it did under the government which existed. It is open to compare the state of the country so managed with that of other parts ceded at the same time to the British government.

2164. Can you state the total expense of the management as established by you: that of the British officers employed?—I cannot, from memory. I think the total expenses of the civil management of the territory were from seven to eight lacs of rupees.

2165. There was a large expenditure of a military description, was there not?—There was a military force which would have been requisite under any circumstances, and which was much smaller than had been kept up before.

2166. Can you at all state the expense which would have been incurred in managing that country as our own territories are managed?—I am not able to state that.

2167. The management established in Nagpoor was much cheaper than that in other countries?—I imagine it was. The country was very poor. The regular establishments, as they existed in the Company's country, would have been more burthensome than the finances of the country would have afforded.

2168. Were all the officers employed in Nagpoor under you military officers, or were they civilians?—They were military officers.

2169. What allowances did they receive, in addition to their military pay and allowances?—1,750 rupees a month, in remuneration of superintendence, originally; it has been since reduced, I believe, to 1,500, including military allowances and all.

2170. How many assistants had you at Nagpoor?—I had three assistants at Nagpoor, independent of those who managed districts.

2171. How many officers were employed in each district?—Originally only one; afterwards there was an assistant in the district of Chetteesgur only, which was very extensive.

2172. Were the officers employed in the district perfectly

23 Mar. 1830.

R. Jenkins, Esq.

competent to perform the functions that devolved upon them?—As far as my judgment went, they appeared to me perfectly competent to perform the functions that devolved upon them.

2173. There was a native force at Nagpoor nominally in the service of the Rajah, was not there?—There was.

2174. How was that officered?—It was officered by British officers.

2175. How many officers were there to each battalion?—I think four or five in one brigade, and only two or three in the rest.

2176. Was that force in a state of discipline to be compared with the discipline of the Sepoy regiments in our own service?—I believe the brigade specified was considered so, generally.

2177. The number of officers employed in each battalion was greater than had been at a distant time employed in our own regiments, was it not?—In early times, the number was not so great.

2178. What was the highest situation held by the natives in those regiments?—The same as in the Company's service; the rank of Subahdar.

2179. All the higher offices were held by British officers?—Yes, in the infantry; in the cavalry there was one at the head of it who had been an officer of high rank under the Mahratta government, who kept his situation with a British commandant, although the effective command rested with the British commandant. Each rosalla of horse, or each regiment, as it might be called, had a British officer at the head of it, and a native officer who got as much as 600 rupees a month.

2180. There were no native officers of the same rank in the infantry?—Not of so high a rank. The infantry, in fact, were raised in the same way as the Company's were raised; the horse were formed from the old establishment of the Nagpoor government.

2181. Did any of those wild Zemindars you have spoken of serve in the army?—No.

2182. How had the native army been officered before we had the management of it?—It was generally a foreign army. Their grades of rank were much the same as we kept up in the horse. We did not make many alterations in the treatment and command of the horse, except by having European officers over them.

2183. Do you mean that it was officered by foreigners?—The whole force were foreigners, as far as related to the Nagpoor country, both in officers and men. Some were Hindostanees, some Mahrattas.

2184. But not natives of Nagpoor?—Very few indeed were

natives of Nagpoor, either of the infantry or cavalry, except the irregular infantry; the sibundee, or militia force, as it may be called, of the country. Most of the Nagpoor horse were foreign, both officers and men.

2185. From what part of the country were they drawn?—Both from Hindoostan and the Deccan. Even the Mahrattas were principally from the Poonah side of the country.

2186. Had any lands been held on the tenure of military service?—For a short time the government divided a considerable portion of this territory among the military commanders, in order to remove from itself the burden of payment, allowing them to collect themselves in the same way and with the same authority as the Subahdars exercised in those parts of the country managed by them.

2187. Had the natives of Nagpoor any means of acquiring education?—Education was carried to a very small extent indeed.

2188. Had they any law officers?—There were, in fact, no law officers; except probably a few men of learning in Nagpoor and elsewhere, who were employed as occasion required when called upon to give their opinion on points of Hindoo law, but those were very few.

2189. You have said that no rights to the soil existed on the part of the ryots?—As far as we could ascertain, there were none. Our wish was to fix every right that had been invaded in the time of the former government. We wished to restore things to their original footing; but we found that no such rights were claimed by the inhabitants.

2190. You did not conceive that to be a consequence of conquest?—They appeared never to have existed in that part of the country.

2191. Were the village officers hereditary?—The principle of hereditary succession appeared to be very generally entertained. And even with regard to landed property, it was not customary to remove a Potail or a ryot from the lands he occupied, as long as he paid the assessment, whatever it might be, that was demanded of him.

2192. Did the police officers occupy any lands in right of their offices?—Yes, very small; but they were usually cultivators on the part of government, as well as of those lands assigned them in payment for their services.

2193. You mentioned that you wished to bring back the administration of the country to its best times; to what time do you refer?—The times referred to are those of the second Rajah after the Mahratta conquest of the country. The Rajah's name was Jenajee. He lived in about 1760. The country was

23 Mar. 1830. then said to be in a better state than it ever was before or afterwards.

R. Jenkins, Esq.

2194. There is not much Mohamedan population?—The Mohamedan population was very small indeed. The population I do not at this moment remember; but it was, I remember, very small.

2195. Was the tenure of the ryot under any lease or instrument?—A rent-roll. In each village there was a paper which was a record of the lands of the village, including the name of each field (every field had a name), the name of the occupant, and the rent he was to pay. This was altered according to the circumstances of the case, each year, as the amount of the rent on any field might alter. There was a new one made out every year. The occupancy might alter, and another ryot might have the occupation of that field. This change took place constantly in the Nagpoor country. If the ryot did not pay the rent demanded, the Potail had power to remove him; in the same way a ryot, if he did not choose to pay, would go to another village.

2196. How long were you in Nagpoor?—Nearly twenty years.

2197. You were there before the difficulties which occurred latterly?—I had scarcely arrived at Nagpoor, in the beginning of 1807, before I saw the whole country in a blaze, and almost every village burning, within a few miles of the city of Nagpoor, and this going on from year to year.

2198. Were you the first Resident at Nagpoor?—I succeeded Mr. Elphinstone there.

2199. Then you were not acquainted with the country in what you would call good times?—No.

2200. What were the different gradations of judicial authorities through which justice was administered?—The Potail was the lowest; above that the native Collector of the pergunnah; and above that, if it was a district at a distance from the capital, the Subahdar of the district, or, if nearer the capital, the Rajah.

2201. The decision of the Rajah, you say, applied to matters of importance?—Usually.

2202. Was that both in criminal and civil cases?—Generally in both. He decided in person or ordered a punchayet, as he thought proper. I do not mean to say that the Rajah sat in a regular court; it was transacted as any other business would be before him, with the assistance of his ministers for the time being. It was seldom, however, that civil causes came before him at all, for the expenses of any litigation before the officers of government were so great that the people usually preferred to settle their disputes among themselves.

2203. They were chiefly settled by the Potail and the pun-

chayet?—Chiefly. If the sum was a sum of consequence, the Rajah rather wished it to be tried before him, that he might fleece both parties; for a portion, a fourth, I think, went to him as a fine on the loser, and another fourth was taken from the person who gained the cause, as a douceur for the trouble of deciding it.

2204. In what degree did the authority of the Potail and the punchayet apply to offences committed against the public peace?—Those cases were left very much to discretion; the Potail might almost do what he liked; of course he was so far checked by the public opinion of the villagers that probably he was thence less likely to do an oppressive act than an officer of government, and they would sooner suffer a little than appeal.

2205. Did they ever resort to the punchayet in criminal cases?—Never in criminal cases.

2206. You stated that the people appeared to be generally very well satisfied with the administration of justice?—That alludes to the latter period, when we had the administration of the country. I alluded, indeed, to an early period, in which the people say that they were satisfied with the government of the country generally; that the government took no more from the country than was consistent with leaving the inhabitants in good circumstances.

2207. From your own observation, when you went there, had you reason to believe that the people were satisfied with the native government?—Far from it; for they had little protection from foreign invasion. The Pindarries were constantly ravaging the country; and the Rajah's troops, if they were sent to suppress them, plundered them; and the Zemindars plundered the ryots in the districts immediately near them.

2208. During the time it was under the administration of British authority, did they use the punchayet much?—It was used in every case in which the natives did not object.

2209. Was your attention particularly drawn to the proceedings of those punchayets, and the decisions under them?—Not to the proceedings of those punchayets, except in the court established in the city for the trial of the superior causes which usually arose there.

2210. Had you any reason to believe that much corruption prevailed?—I think the general complaint was, that in the city, where the business of punchayets fell into the hands of professional persons, I mean a set of people who, having scarcely any thing to do, were generally called for the purpose, there was both great procrastination and great corruption. At a distance from the capital the same complaint did not exist.

2211. Was there a right of appeal from the decision of the punchayets?—No, except in a case of corruption.

23 Mar 1830.

R. Jenkins, Esq.

2212. To whom did the appeal lie?—The appeal came to the Superintendent.

2213. Had you an opportunity of observing the manner and conduct of the native officers under the Nagpoor government? and if so, state your opinion.—Where the government seemed to pay so very little attention to the maxims of justice and good faith, it was very unlikely that we should find that the officers under them would do so. Every person who held a situation under the Nagpoor government at that time paid for it, consequently they were allowed to take every means in their power to reimburse themselves.

2214. What were the duties that fell on the assistants and the other European officers; were they duties of superintendence?—The assistants I spoke of were with me at the residency, in order to assist me in my general duties. There was only one Superintendent at a distance, who had an assistant to take part of the judicial duties off his hands, the revenue and political duties of the Superintendent with the petty tributaries occupying too much of his time.

2215. Was he actually engaged in the administration of justice, or did he merely superintend the native officers in their administration of it?—He was actually engaged in the administration of it, in both civil and criminal cases; in civil cases and in criminal cases of a certain amount; and he received appeals in all cases from the decisions of the native authorities under him, and had power to revise their proceedings.

2216. How were those cases to which his authority did not reach decided?—There were no cases to which his authority did not reach in the administration of his immediate district.

2217. How were those cases which did not come under his superintendence decided?—By the officers under him.

2218. What was your general opinion of the native officers, as to the confidence that could be placed in them in the administration of government or of justice?—I had every confidence in the natives generally speaking, so far as they were strictly superintended and looked after. We could not expect to find, after a total want of all government which had taken place before we took charge of the country, that there would be great probity or great honesty in the natives. I attribute that to the loose state in which they were.

2219. How were they paid; were the amounts of their salaries large or small?—They were rather small. A native collector got to the amount of about one and a half per cent. on the amount of his collection.

2220. Had you ever any opportunity of observing the conduct of the natives who were intrusted with the administration of justice, or the administration of the country, in any part except

Nagpoor?—I have scarcely had any experience of that kind. I have been almost stationary in the Nagpoor territory. Every part of that I visited over and over again; but, with the exception of an occasional visit to Hydrabad, or once or twice to Bombay, I have been in that country for twenty years.

2221. You can speak to the character of the natives only in Nagpoor?—Just so.

2222. In what respect did it appear to you that the cultivation of land in Nagpoor was improved during your residence there? —I mean to say, there was a large portion of country which had been out of cultivation brought into cultivation during the time we held the country, and that under rather unfavourable circumstances; because, from the destruction of the Pindarrees, every country round was reviving at the time, and the prices of grain fell very much from what they had been.

2223. Did you observe that there was much improvement in the implements of husbandry which were used?—There was no improvement in the implements of husbandry at all.

2224. What species of plough is used?—It is a very coarse sort of implement, a crooked thing, with a little bit of iron at the end of it; it costs but three or four rupees; the material is of the coarsest wood; sufficient rather to scratch the ground than to plough it up, according to our ideas of ploughing.

2225. Do you not think great advantage would arise from the use of European implements of husbandry?—I have no doubt that European implements might be constructed to suit the different soils in India, and much better than they have now; but the expense of them would be greater, I fear, than the ryots could afford.

2226. Are they in the habit of using manure?—They do use manure in the better articles of cultivation to a great amount, particularly in the cultivation of sugar, and the cultivation of the betel-leaf, which is in much request among the natives. Tobacco is also manured.

2227. Do they use dung?—They do, of all sorts.

2228. Is it not very much the habit to burn dung for fuel?—The dung of cows and bullocks is very commonly used, both for fuel and for forming the floors of their houses, amongst the Hindoos.

2229. That being so valuable for those purposes, is scarcely applicable for the purposes of agriculture?—No; it is chiefly the dung of sheep and of other animals.

2230. Did you observe that the mode of cultivation pursued by the officers of Government who had land was superior to that generally pursued by the ryots?—I think, looking at the capital of the cultivator, there was an improvement. Still the implements were the same; but the difference was, that they could

23 Mar. 1830.

R. Jenkins, Esq.

afford probably an additional expense of irrigating the land, of additional bullocks, or keeping up wells formerly dug. They had better crops of course.

2231. You stated that the amount of revenue depended much on the seasons; did you not find that those lands in a superior state of cultivation were more independent of the effect of the seasons than others?—Those lands that were more irrigated were more independent of the seasons than others.

2232. You conceive that the introduction of capital would be attended with very considerable advantage to the cultivation of land?—I have not a doubt of that.

2233. When you mentioned that you did not think the territory of Nagpoor had suffered since it had come into the possession of the Company, as compared with other territories that also came into their possession at that time, did you make any allusion to other territories in which indigo has been introduced?—Not to my knowledge. I alluded to countries that were immediately in the neighbourhood of the Nagpoor territory, or those that had been taken from the Peishwa and annexed to the Company's territory.

2234. Indigo is not grown in Nagpoor, is it?—No. There is the wild plant found in the country, but it has not been cultivated.

2235. Do you know why it has not been cultivated?—I have no knowledge of the circumstances.

2236. Have you known that in the countries in which it has been introduced there has been a very considerable increase of wealth to the inhabitants?—I had no means of informing myself; but I have no doubt that the introduction of a more valuable article of cultivation would have that effect.

2237. Have you observed, in those cases in which the collector was raised to the situation of Judge, that more suspicion was entertained of him by the natives than in the case of a Judge who had not been previously collector?—Not having resided in the Company's territory, I have not had the means of ascertaining that; but as far as I could observe from our own practice, in which the Superintendent was Collector and Judge, I think there was no reason to suppose the natives felt any incompatibility in the two characters; on the contrary, it was according to their own practice—the union of powers.

2238. You mentioned that sugar was grown in Nagpoor; are you aware of any sort of foreign machinery being used in the cultivation or preparation of sugar?—There is no foreign machinery introduced into that country; it is what has been used from time immemorial by people of the country.

2239. Have you reason to think very great improvements might be made in the quality of the sugar, by the introduction

of machinery?—I am not aware of the effect of the improvement of machinery in improving the quality of the sugar, but I suppose it might.

2240. Have you heard of such machinery being introduced into parts of the Madras territory?—I have not.

2241. You stated that the assessments in Nagpoor were moderate; can you state what proportion of the produce they take?—It is extremely difficult to make out; but I think they were taken to be from a fourth to a third; but I will not state this as being at all a thing I could vouch for.

2242. Can you state the expence of collection per cent.?—I cannot, at the present moment.

2243. Do you know the expence of collection in the Company's territories?—I do not.

2244. What is the principal religion of the country?—The principal religion of the country is the Hindoo.

2245. Under what code of laws is justice administered?—The Hindoo, as far as any code of laws is administered, in the cases of inheritance or partition of property; in other respects it is completely discretionary, the judgments that are given, or were, at least.

2246. In criminal cases, how is it?—We recommended that there might be some fixed rule. We took from the Bengal Regulations the general punishments for the principal crimes, and recommended their adoption to the Nagpoor authorities, which was adopted rather to have some system than to leave it discretionary.

2247. At present the law enforced is similar to that enforced by the Bengal Regulations?—With regard to criminal justice.

2248. In regard to civil justice it is according to the Hindoo code?—According to the custom of the country. In the case of punchayets, they are satisfied from their own knowledge of it; and the Judges can ascertain it from the officers about them. It is done in a rude but in a summary kind of way.

2249. Does slavery exist in Nagpoor?—There is a degree of slavery which has existed in the city of Nagpoor particularly, but to a very small extent. It is that, in seasons of famine, which have unhappily not been uncommon in that part of the country, as in others under the scourge of the Pindarrees, it has been the practice for the people to purchase the children of the poor, who, in order to subsist themselves, are compelled to part with them. Those are brought up in their families, and instances, I believe, occur in which they are not particular in retaining them; if the parents or relations claim them, they are generally willing to give them up; otherwise they use them as domestic slaves.

2250. Are the children of slaves also slaves?—I am uncertain of that; I do not think that they are.

23 Mar. 1830. — *R. Jenkins, Esq.*

2251. Is there any difference in the value of the testimony of a slave and that of another person?—I never heard of any distinction being made. The powers the masters exercise over them are in fact no more than they would exercise over any other part of their families.

2252. Are there any agricultural slaves?—None, I think, except in this way, that there might be in a family of a cultivator slaves acquired in the manner I have mentioned; but they are not connected with agriculture more than any other employment.

2253. There are none attached to the soil?—No, certainly not.

2254. What are the principal articles of cultivation?—The grains in the greater part of the country are wheat, rice, and jowary, a species of maize, which is the common food of the Mahratta peasantry, being the cheapest.

2255. Is opium grown there?—Hardly at all; perhaps a man who has a garden and the means of watering it may cultivate a small quantity.

2256. Is any monopoly on the part of the Company exercised over the opium grown in that way?—No; there is nothing on the subject of it in the existing treaties as to the cultivation of opium in the country.

2257. You have stated that a good deal of unproductive land had been brought into cultivation by means of what are called cowls, promises not to raise the rent; can you state at all what quantity of unproductive land during the time you resided in Nagpoor was brought into cultivation by those means?—I cannot. The country having never been surveyed, the accurate number of square miles is scarcely known of the Nagpoor territory.

2258. Should you say a very considerable portion?—Yes, from my own observation; and I was constantly in the habit of marching about the country, to see how things were carried on.

2259. Was there a pretty general desire on the part of the inhabitants to obtain those cowls?—It was at first more than afterwards, when the prices of grain were so low that it was extremely difficult to introduce satisfactorily, without throwing other lands out of cultivation, the further improvement of the waste lands.

2260. What class of persons were those who applied for and obtained those cowls?—Generally Potails. One man, if he had a little extra capital to spare, would agree to employ it on a neighbouring village, if he could procure it on the terms of a cowl

2261. Was the object generally to bring the land entirely into the same state of cultivation, or to effect further improve-

ments?—Generally to make an improvement on their capital, expecting to pay at the end of the period of time, or seven years, for those lands that were brought into cultivation the rents paid for other lands in the country. 23 Mar. 1830. — R. Jenkins, Esq.

2262. Are they in the habit of growing the same crop on the same land in successive years?—I believe there has been a good deal of that habit; but in reference to the more valuable articles of cultivation they have some variation of crops.

2263. What species of grain is most benefited by irrigation? —I am not exactly prepared to say; but rice, for instance, could not be produced at all without constant irrigation. Wheat is very much improved by irrigation, as they know very well; and where they can they employ wells, or any water they can get hold of, to increase the produce.

2264. When you undertook the management of the Nagpoor territory the finances were greatly embarrassed?—They were.

2265. When you surrendered the government into the hands of the Rajah, what proportion did the revenue bear to the expenditure?—I think the revenue was about forty-seven lacs of rupees, and the expenditure about forty-four, subsequently reduced to about forty-two before I gave over the country to the Rajah, producing a surplus of near five lacs of rupees.

2266. Had there been a progressive course of improvement? —Constantly progressive. There was a little check in the first instance, by a dreadful famine which took place, arising from the ravages of the Pindarrie, and the armies which had been moving over it and plundering it, and also by bad seasons. The first two or three years were consequently very unfavourable for any improvement.

2267. At the close of this term, do you suppose there was a greater or a less degree of wealth in the country than at the time of its commencement?—I should say there was rather an improvement; except perhaps that a number of the military class had wealth, and who went off during the disturbances. We know, for example, in the city of Nagpoor there were twelve or fourteen additional mercantile and banking houses established in the eight or nine years that the country was under our management; and in the agricultural class, to every appearance, there was more wealth than there had been before.

2268. Was not the improvement rather a decrease of charge than an increase of production?—The last improvement of the country was a decrease of charge, but the general improvement was an increase of production. The original revenue was thirty-six or thirty seven lacs of rupees, and it had increased to forty-seven, the produce of the land revenue and the produce of customs and excise, and that after giving up the transit duties on grain, amounting to a lac and a half of rupees, which

23 Mar. 1830.

R. Jenkins, Esq.

were abolished as being considered a burthen on agriculture. In the course of two or three years not only this sum was made up, but further increase took place.

2269. What was the amount of the Rajah's military force stationed at Nagpoor?—The Rajah's force was about 3,000 infantry, and 2,000 cavalry, exclusive of irregulars, employed chiefly for the purposes of police and of revenue operations.

2270. Do you attribute the increase of revenue to the removal of those taxes?—I think that they contributed to the increase of the revenue, by promoting the general prosperity of the country and the facility of exchange.

2271. What is the state of the roads in Nagpoor?—I am sorry to say, that as to the roads, with the exception of those we have constructed in the immediate vicinity of the capital, extending from the different cantonments to the city, there were very few in the country. An attempt was made to form a road to extend to Calcutta, but I believe it was found advisable to discontinue it.

2272. Is there any means of communication by navigation?—The rivers are not navigable sufficiently high up. There is one river called the Wineganga, and another the Wurda, which join the Gordaveray; some attempts have been made to open a communication with the coast by means of them, but there are a variety of obstacles in the way from rapids and rocks. A third river is the Mahanuddy; for a certain number of months in the year it is practicable to navigate it from Cuttack into the eastern districts of the Nagpoor territory, probably from July to January. They might, no doubt, be more than at present used with advantage to the country.

2273. There is no communication by canals?—There is not.

2274. What do they use for fuel besides cow-dung?—Wood is the usual article of fuel. Cow-dung is used entirely by Hindoos.

2275. Do they use it because wood is too expensive?—I do not know that it is in that part of the country, for there is a great deal scattered through the country which they can have for cutting. I believe the Hindoos use it from the respect they have for the article.

2276. The communication is carried on by what means?—By bullocks and by carts in the dry season. In the period of rains it is almost impossible to carry on any communication. Buffaloes and small horses of the country are not uncommonly used, as well as bullocks and carts.

The witness is directed to withdraw.

Ordered, That this Committee be adjourned to Thursday next, one o'clock.

Die Jovis, 25° *Martii* 1830.

The LORD PRESIDENT in the Chair.

The Honourable MOUNT STUART ELPHINSTONE is called in, and examined as follows:— 25 Mar. 1830.

The Hon. M.S. Elphinstone.

2277. You have been Governor of Bombay?—I have.

2278. What other situations have you held in India?—I was first four years Assistant to the Judge at Benares, and in the College in Bengal; I then went as Assistant Secretary to the Resident at Poonah; I then went as a sort of Political Assistant or Secretary with the Duke of Wellington; from that I was made Resident at Nagpoor, afterwards acting Resident in Scindia's camp, and then Envoy to Caubul; I was then Resident at Poonah, where I continued till the breaking out of the war with the Peishwa. I was Commissioner of the Conquered Territory; and for the last eight years Governor of Bombay.

2279. What are the several modes of revenue settlement under the presidency at Bombay?—In some few parts settlements are made with proprietors of tracts of country; more commonly with the heads of villages, or with the village communities, or with the individual cultivators. In some instances tracts of uncultivated country are given in farm to any people who will undertake to lay out their capital in improving them.

2280. So that there is no general system, but the mode of collecting the revenue is adapted to the circumstances of the country?—Exactly so.

2281. By whom is the land revenue collected?—There is a Collector and European Assistants in every district; under them there are native Collectors, who have small portions of the district; they have inferior revenue officers under them, who collect the revenue from the villages.

2282. By whom is the revenue directly paid to the Collectors?—Either by the Zemindars, when tracts of country are in the hands of such persons, or by the villages, or by the individual ryots, according to the modes of settlement, whether Zemindarry, or Mouzawary, or Ryotwary.

2283. Does the ryot in any instance pay directly to the Collector, without paying through the head of the village?—Frequently to the Collector, or his native officer.

2284. Do you give a preference to either of those modes of collecting the revenue?—I do not think there is any material difference. If the rights of individuals are well fixed, and there are limits put to the government revenue, they are all equally good. But until a survey has been made, when there is a good Collector the settlement with the individual cultivators is best,

25 Mar. 1830.

The Hon. M. S. Elphinstone.

because there is nothing between the Collector and the people; he sees into every thing: when there is a bad Collector, the settlement with villages or by Zemindars is best, because the Collector has least to do. When all is settled, I would give a preference to the settlement with the heads of villages, or small Zemindars, as tending to keep up the upper class in the country, which it is generally the effect of our institutions to break down.

2285. In what manner is the land assessed?—It is assessed with reference to the payments of former years, and to the actual state of the cultivation and of the season. If the cultivation has been increased, the revenue is increased; if land has been thrown up, it is diminished; and if it is a bad season, allowances are made for it.

2286. In what manner are the payments in former years ascertained?—They are recorded in the Collector's books, and also in the accounts of the village.

2287. Are those accounts to be depended upon?—Those made after the introduction of our government, I think, are.

2288. Has any survey been made of the country?—A survey was in progress in Guzzerat, that had been commenced some time before I went to the government, and was nearly finished before I went away; and a more complete one was just commenced in the Deccan, with a view to a new and lighter assessment, and to defining tenures and fixing boundaries.

2289. Under this new survey, is the revenue assessed according to the real productive power and range of the land?—Yes.

2290. That is done by persons competent to form an opinion upon that subject?—A European officer, carefully selected, is appointed to the head of the survey; he has under him different classes of natives of experience; they consult with the heads of villages and with intelligent ryots; and each owner of a field states his arguments for a lighter assessment, or represents any peculiarity in the circumstances of his land.

2291. The assessment is fixed on each individual field?—That is intended.

2292. With regard to land now uncultivated, in what manner will that be assessed hereafter?—It was proposed that no addition should be made on account of it; that when the survey was completed an agreement should be made with the heads of villages, that they might pay a fixed amount for the period of their lease, which was to be a very long one. Nothing was to be levied upon new land brought into cultivation.

2293. What was the proposed length of that lease?—First an experimental lease for five years, then one for thirty; and at the end of that time no alteration was to be made, unless some new and unexpected ground was raised for it.

2294. Is there, at present, any perpetual settlement of the revenue in any part of the territory under Bombay?—In no part.

2295. Is any land held rent-free?—Yes; there are several descriptions of land. Some is held for military or other service rent-free; that is called jaghire. Some is held on paying a quit-rent so light that it almost partakes of that nature; and some is entirely exempt from all payment of revenue. That in the Deccan is called enaum.

2296. Has that land which pays a small quit-rent been given as a reward for services?—Probably it has.

2297. And that called enaum?—For service, or a mark of favour, or for religious or charitable purposes.

2298. Has any land been granted at a small quit-rent by the British government?—I do not know that any has been granted at a quit rent, but some has been granted rent-free.

2299. Is the land under those three descriptions of any considerable extent?—Yes, it is.

2300. On failure of heirs the jaghires revert to the government, do they not?—Yes, they do; they are resumable even on the death of the proprietor.

2301. Does that land which pays a small quit-rent revert to the government?—On failure of heirs only. It is like private property in England.

2302. So that the proprietor has not the power either of selling it or of leaving it by will?—The proprietor cannot sell it without the permission of the government, under the native governments; under ours, I do not think the disposal of it is interfered with.

2303. On what tenure is that land held which does pay revenue?—There are different opinions as to the tenure. Some suppose that the whole of the land is private property; others, that it is held on a right of occupancy, and that while the rent or tax is paid to the government the holder must not be dispossessed. But it is a property of very little importance, as the government has the power of taking what share it pleases of the proceeds; and for these reasons the words "rent" and "tax" are indiscriminately used. There is a description of land on which the tax ought not to be raised, or only under particular circumstances; but this privilege has been rendered almost nugatory by some practices of the native governments.

2304. They have been used synonimously in your late answers, in which you spoke of land rent free?—They have.

2305. What other sources of revenue are there besides the land tax?—The sea customs; the transit duties; the town duties; the stamps; the tax on spirituous liquors; and some others of less importance.

25 Mar. 1830.

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The Hon. M. S. Elphinstone.

2306. Do the transit duties materially interfere with the internal commerce of the country?—In some parts of the country they do. In our latest acquisitions they have been kept on the native system, where the duty is levied almost at every stage, and that must of course very much impede the communication.

2307. What is the system on which they are levied in the more ancient territories?—Under Bombay, I think, they are almost all on the same system; except in Ahmedabad, a district of Guzzerat, where they are levied on passing the frontier and on entering the city only.

2308. Are the transit duties collected or farmed?—They are sometimes collected, and sometimes farmed. The farming is considered as a preferable mode, because there is a competition among the farmers to give little vexation, to levy light duties, so as to draw people on to their roads.

2309. Do those who are called upon to pay transit duties in any case contract with the farmer?—They do. It is a trade in some parts of the country. These people contract with the farmer, and give passports to merchants to carry their goods without being stopped at all.

2310. Under which system have you collected most revenue; under the farming or under the collecting system of transit duties?—I am not able to say; probably the farming.

2311. Has the farming system being extended of late?—I rather think it has.

2312. Is there any duty which you can suggest as a substitute for those transit duties?—There was a plan, just before I left Bombay, for lessening the transit duties; and the loss was to be made up by an increase of the sea customs, and I think by an increased tax on salt, but I am not quite positive.

2313 State the circumstances under which the salt tax is collected in Bombay?—Until this proposal, I am not certain that there was a salt tax at Bombay. Some of the salt-pans belong to government, and were granted to people who paid a rent for them. There was no general system like that in Bengal.

2314. Would it be practicable to increase the duty on salt? —I think it might. The land assessment is so heavy at present that it is not desirable to increase any tax that bears on that class; but the consumption of salt reaches many whom the land revenue does not, and it is partly drawn from foreign countries where our salt is consumed.

2315. Salt is exported from Bombay to the Malabar coast, is it not?—More to the interior, I believe.

2316. State what appeared to you the particular imperfections of the revenue system, and any means which have occurred to you of obviating them?—The principal imperfections are, that

the assessment is too high, that it is fluctuating and uncertain, and that it bears almost entirely on the agricultural class. 25 Mar. 1830.

The Hon. M. S. Elphinstone.

2317. This fluctuation affects the revenue more than the individual, does it not?—A farmer is never certain, at the beginning of the year, what he will have to pay, as it is settled every year.

2318. Not under the lease you have referred to?—No. It was proposed that a settlement in some degree permanent should be made, so that there should be no fluctuation; and as the country improved, the assessment, which is now heavy, would become light, and as consumption increased there would be other objects for taxation besides the land.

2319. The population under Bombay is at present principally agricultural, is it not?—By far the greater proportion is agricultural.

2320. Is there any class untaxed, from which, in your opinion, any considerable revenue could be obtained?—Some of the inhabitants within towns are untaxed, and the owners of rent-free land are almost entirely untaxed; but it is extremely difficult to devise any means by which they could be taxed, without the tax falling on the classes who are already sufficiently heavily burdened.

2321. How were the Mahratta countries governed before their conquest?—The country was divided into districts, which were farmed to the highest bidder; he sub-let them in small portions to under-renters; and the whole of the government, civil, military, and judicial, was in the hands of these farmers.

2322. Are you acquainted with the mode of management of the native governments in any other part of India?—Those I have seen most of, the Nizam's, Scindia's, and the Rajah of Berar's, were governed on nearly the same plan with the Peishwa's. There are some small states who do not farm the land, but make a settlement of the revenue on equitable principles, and they are very flourishing.

2323. What states are those?—Some of the smaller states in Malwa, Kotah, and Bopaul, probably, and even some of the jaghires that are held under us.

2324. Under what officers is the police of the Bombay presidency?—It is under the Collector, and the same chain of revenue officers, down to the police, that the revenue is.

2325. Who is at the head of the police of the village?—The head of the village is the head of the police, and under him there is a village watchman, who has a grant of land, or rather his family have a grant of land, for which they are bound to supply a member, and they generally take it in rotation.

2326. Is there any police establishment except that hereditary

25 Mar. 1830.

The Hon. M. S. Elphinstone.

head of police of the villages?—There is a very considerable establishment of hired peons.

2327. How is that establishment regulated and officered?—It is different in different districts. It is something like a military arrangement; they all wear an uniform, and have officers of different ranks, and some nearly approach to the system pursued in regular corps.

2328. Is it an efficient police?—Considering the nature of the country, which is very full of hills and woods, and places where robbers can find refuge, it is good; but there is a great want of public spirit in the people, and they are afraid of accusing robbers lest they should be acquitted, and they might be in danger from their violence afterwards.

2329. Would this efficiency be increased by giving a higher pay and a greater number of officers to the police?—No doubt it would.

2330. Would it not with the same number be more efficient if it was constituted in a better manner?—I should think it would, no doubt.

2331. In what manner is civil justice administered in the provinces under Bombay?—There is a Judge in each district, and under him there are a certain number of native Judges in divisions of the district. An appeal lies from the native Judges to the European Judge, and from him to the court called the Sudder Adawlut, from which an appeal lies to the King in Council.

2332. To what extent can native Judges try causes?—Every native Judge can try as far as 500 rupees, £50; and the amount may be increased, at the recommendation of the European Judge, as far as 5,000 rupees, or £500.

2333. Has that increase been permitted in many cases?—I should think it had, in very many.

2334. How have the native Judges, upon the whole, been found to decide those causes?—Extremely satisfactorily.

2335. What are their emoluments?—They vary according to the extent of their powers, from perhaps 200 to 500 rupees a month, which is from £200 to £500 a year.

2336. Are they paid by fees in any cases?—They are partly paid by a salary and partly by fees. No fee was levied on any cause under one hundred rupees; but the fee for those small causes was paid by the government, so as to make it the interest of the native Judge to try many causes.

2337. From what class are the native Judges taken?—From the middle class of the people, who have been employed under former native governments. None of the higher ranks are native Judges.

25 Mar. 1830.

The Hon. M. S. Elphinstone.

2338. Do any means exist for the education of persons for such employments?—There is a small college at Poonah where they may get some instruction; but there is a very great deficiency of means for educating them. The Sudder Adawlut has frequently represented to the government of Bombay, that the knowledge of the Hindoo and Mohamedan law is becoming extinct among the natives, and that it is difficult to find law officers in consequence.

2339. Have any measures been adopted by the government in consequence of those representations?—Some measures have been adopted, and others have been recommended to the Court of Directors. I rather think they have been acquiesced in since I left India.

2340. Are punchayets used in the decision of causes by the native Judges?—They are used both by the native Judges and by the heads of villages, who are empowered to call punchayets for the settlement of disputes within their own districts.

2341. Are they used to a great extent?—Not very great. They are used to a great extent in the southern Mahratta country, but not in any other part of the presidency.

2342. Are they used in criminal as well as in civil cases?—No.

2343. What is the nature of the code of regulations?—Except in the criminal branch, it is little more than a collection of rules for procedure. The law is still to be drawn from the Hindoo and Mohamedan law books or traditions and customs.

2344. Have they materially altered the Mohamedan law?—No; in Bombay they have not interfered with it at all.

2345. The Mohamedan law was not very prevalent in the country under the Bombay Government, was it?—No, not to any extent. The prevalency of it has been diminished since the conquest by the Mahrattas.

2346. In what respect do the regulations at Bombay differ from those in Bengal?—They are more lately made, and consequently there are fewer regulations rescinded and altered, and the code is much shorter. I believe the process is more simple. Natives are more employed; the native prejudices, I think, are more attended to; and in the criminal branch an attempt has been made to define crimes and specify punishments.

2347. At what period was that code last published?—In 1827, just before my departure. There are some minor differences between it and the Bengal code. An admonition is made use of instead of an oath, in examining witnesses; there is no limit to the interest of money; and there is no imprisonment for debt after a person gives up his property; and some other things of less consequence, which I believe do not exist in the

25 Mar. 1830.

The Hon. M. S. Elphinstone.

Bengal code. In some respects it is less advanced than the Bengal code.

2348. In what respects is it less advanced than the Bengal code?—From the country being a later conquest, a great many natives are exempted from the jurisdiction of the courts. Some of those exemptions are carried further than it would be desirable to maintain permanently. Many revenue causes are excluded from the jurisdiction of the court, until some more accurate knowledge shall be obtained about the rights of the government and of individuals in those branches.

2349. Have any arrangements been made to form a digest of Hindoo laws and customs under the presidency of Bombay?—Yes; some progress had been made in forming a digest when I left India; but it will require great length of time and perseverance to complete it.

2350. Was much practical difficulty experienced in forming that digest?—No practical difficulty whatever, except in one instance. Part of the plan was, to inquire into the customs of castes, and that in the city of Surat excited great alarm; the people shut up their shops, and the Judge who was making the inquiries was obliged to desist. The natives conceived that it was intended to interfere with the customs of their castes, and not merely to inquire into them.

2351. Are there any considerable arrears of civil business in the courts?—No, there are not.

2352. Do the natives appear to be generally satisfied with the administration of civil justice?—They are perfectly satisfied with the purity and impartiality of it; but they are disgusted with the forms and delays. I think they have a prejudice against our administration of justice, though it is certainly an unfounded one.

2353. Is that prejudice created by those forms?—It is created by the forms, which the natives cannot see to be necessary for the conduct of judicial business.

2354. In point of fact, is the administration of civil justice overloaded at present with forms which you conceive to be unnecessary?—I do not think it is. The last code of Regulations was formed with attention to removing as much as possible all unnecessary forms.

2355. Do any particular improvements occur to you, as capable of being made in the administration of civil justice in the provinces?—The greatest improvement would be, the formation of a code such as that already mentioned. At present the Regulations provide merely rules for procedure. The Judge is to administer the Hindoo law. That is partly to be found in books, and partly in local customs and customs of castes. When the Judge has a point to ascertain, if it is a point of law, he is

obliged to refer to a law officer, and the decision must depend upon his learning and integrity. If it is a point of custom, he must examine witnesses, and the witnesses are subject to being influenced by favour or corruption. A Judge must also have to exercise his own discretion in the decision he gives; and as he judges on principles different from those of the natives, his decisions, even when they are most correct, must often be unexpected to the suitors. This must produce considerable uncertainty and increased litigation. The remedy appears to be, the formation of a code; but a code, if it is inapplicable to the state of society, or inconsistent with established usages, will produce much greater confusion than it is intended to remedy. It is necessary, therefore, that it should be made very cautiously, and with attention to the usages that at present exist. The steps taken at Bombay towards forming a code were to appoint a gentleman to inquire into the customs of castes; which was done in the Deccan in the course of two or three years, and his collection was published. Another gentleman was employed to make a selection from the decisions of the courts of justice on points that seemed most to contribute to the formation of a code. The same gentleman made a translation of one of the Hindoo law books, which had not already been translated. If those collections were continued, at the end of a certain time they would furnish a body of materials from which some rules might be selected and formed into a code, which would supply the place of the Hindoo law, and give as much satisfaction as the present mode of administering it, while it would be much clearer both to the people and the Judges.

2356. Is care taken, in the selection of Europeans for the situation of Judges, to select such persons as possess a knowledge of the Hindoo laws and customs?—Some care is certainly taken; but it is inferred, that if they have risen in the line they must have acquired a competent knowledge of the Hindoo law, or rather of the customs.

2357. They commence their service in the revenue line usually, do they not?—It is thought the most expedient.

2358. Having once entered the judicial line, are they usually retained in it?—In general.

2359. Before the measures you have spoken of were adopted, had the European Judges any means of acquiring a knowledge of the Hindoo laws or customs?—A considerable number of Hindoo law books had been translated in Bengal by Mr. Colebrooke and Sir William Jones and others, but I do not think the European Judges were much in the habit of studying them; they got the Hindoo law from their law officers, and they were a good deal guided by their own opinion. The Hindoo law is so vague on many points, that they are often obliged to exercise their own discretion.

25 Mar. 1830.

The Hon. M. S. Elphinstone.

2360. What judicial functions are executed by the Collectors of Revenue?—The Collector decides, in the first instance, all disputes connected with land between parties. An appeal lies from him to the Judge. He is supposed to possess more information about land, and more means of procuring evidence, than the Judge could have.

2361. Are the appeals from the Collector to the Judge frequent?—I am not able to answer that question.

2362. How is criminal justice administered?—The Collector, as magistrate, punishes misdemeanors. The greater offences are tried by the European Judge of the district, who can punish as far as seven years' imprisonment. Higher offences are tried by a Judge of the Sudder Adawlut, who goes the circuit. The capital offences require the confirmation of the whole court of Sudder Adawlut.

2363. What law is used in the decision of criminal cases?—There has been an attempt in the new Bombay code to make rules which shall apply to all criminal cases. Formerly the Hindoo law was nominally resorted to, but it almost always left the punishment to the decision of the Judge; it was nearly arbitrary.

2364. Are the natives apparently satisfied with the administration of criminal justice?—I think they are satisfied with it, as far as protecting innocence; but they complain very much of its inadequacy to punish guilt. I am not certain that their complaints are well founded, for their notions of justice are very summary, and they are not able to comprehend the difficulties we find in criminal procedure.

2365. Could native juries be used with advantage in civil or criminal justice?—I think they would tend very much to the improvement of the people, by drawing their attention to public business, but I doubt whether they would promote the immediate objects of obtaining either a speedy or an improved administration of justice.

2366. Would they afford increased facilities for the discovery of fraud, by the examination of witnesses on the part of a jury?—It would depend very much on the class from which the jury was selected. I do not think the form of an English jury the most desirable in which the assistance of natives could be afforded to European Judges.

2367. In what form do you think a jury could be introduced?—I should doubt whether it would not be better to have a few native assessors rather than a jury; that the Judge should have the power of selecting a few well-informed natives to sit with him as assessors, he being responsible for the decision. By the last Bombay Regulations, every Judge has a power in all cases of either assembling a jury or calling in assessors when he thinks it desirable.

2368. Are you aware that that has been done in many cases? —It had been so lately introduced when I left India, that I had not heard of it being done.

2369. Would it be safe to oblige the Judge to abide by the decision of the jury or the assessors as to the facts they find?—I do not think it would. If I am to understand a jury chosen and constituted as a jury is here, it would be influenced by many prejudices, and it would administer justice much less satisfactorily than the same class of people do in England.

2370. Should you recommend that the assessors of whom you have spoken should be selected for the occasion, or that they should be permanently fixed in those situations, and receive a salary?—I think it would be better that they should be selected, because it has the effect of employing and improving the natives more; and as it was not known who was to be assessor in each cause, when he was appointed there would be less room for corruption.

2371. What is the state of native education in Bombay?—The state of native education is very fully shewn in a series of reports, which were called for from the different officers under the government, in the beginning of the year 1824. My general impression from them is, that as far as reading and writing go, though far from being so extensive as might be desired, it is creditable to the natives, being carried on entirely by themselves; but in all the higher branches of education it is totally defective.

2372. Could you suggest any measure that will enable the government to give a higher sort of education to the natives?—I laid a plan before the government of Bombay in December 1823, in which all the means that seemed to me practicable for education were suggested. What I proposed for the higher branches was, the institution of a college, the employment of two or more European professors, the granting of prizes to those who shewed most proficiency on examinations, and, above all, the giving certain rewards to any European or native who would produce a translation of an English book on science, or an original work on science, in a native language.

2373. Supposing such a system of education to be established, will not natives, in your opinion, be elected to fill many higher situations than they now fill under the government, and fill them advantageously?—I think they would.

2374. To what extent do you apprehend, after the completion of such a system, it would be possible to employ natives?—The progress would be very gradual; but the ultimate result, I apprehend, might be the making over all civil business to the natives, retaining the political and military in the hands of Europeans.

2375. The effect of the perfection of this system to which you

25 Mar. 1830.

The Hon. M. S. Elphinstone.

have alluded would be the establishment of a much cheaper government, accompanied by a great moral improvement of the people?—So I conceive.

2376. What are the highest situations now held by natives under that government?—I do not recollect any higher than the principal judicial and revenue officers, who get a salary of 500 rupees a month. There were in the Deccan dewans or chief officers under the Collector, who at one time got as much as a thousand rupees a month; but I rather think they have been reduced.

2377. Do any particular measures occur to you for securing the fitness and preserving the integrity of natives in official situations?—In their present state, a very strict superintendence by Europeans; good salaries; rewards by pensions or jaghires after long and distinguished employment; and, above all, good education.

2378. Do you conceive the native character to have been improved under our government?—I cannot say that I have seen much change in the native character. There certainly is, in some few of the educated classes, greater liberality, and greater desire for information, than there was formerly.

2379. Upon the whole, do you conceive the effect of our government has been beneficial to the people?—I conceive it has certainly been beneficial. The Mogul empire was broken up before the introduction of our power into India, and the whole country was in the hands of feeble nabobs, or rapacious Mahrattas, in an extreme state of misgovernment. We have put a stop to all external invasion, and to all open violence within our own territories; and we have introduced a regular administration of justice and a government on fixed and rational principles; all of which are great benefits conferred on the natives; but no doubt the introduction of our government has been attended also with very great evils, as the introduction of a foreign government always must be. It tends very much to level all ranks; it withdraws a good deal of the encouragement there was to learning, and to excellence of all sorts; and also, by the destruction of the higher class of natives, it has diminished the demand for many Indian manufactures; the Europeans, who supply their place, making use chiefly of articles of their own country, while the importation from England of the cloths and other manufactures worn by the natives themselves has supplanted the manufactures of India.

2380. Are there many Europeans resident in the provinces under the Bombay Government?—Not many.

2381. Do you think that the general prosperity of the country, or the moral improvement of the people, would be advanced by the more general residence of Europeans amongst them?—A more general residence of Europeans would be cer-

tainly attended with great advantages, if they carried capital or skill with them to India; but I think that any unrestricted residence of Europeans in India would be productive of more harm than good.

2382. Would not a greater resort of Europeans to the country tend to keep down the native population, and to prevent the natives rising to the possession of those offices in which you think it would be desirable to place them?—I think it certainly would. If Europeans were allowed to go without restraint to India, I think many would go at first, some without capital, and others on speculations which would soon reduce them to poverty; that from the compassion of their countrymen in India, and their greater fitness for office, they would be introduced into employments to which we have been of late endeavouring to introduce the natives; and that if they formed friendships with the Europeans in power, which they have greater means of doing than the natives, they would get advantages in other ways.

2383. So that the elevation of the native character appears to be inconsistent with the more general resort of Europeans to the country?—Inconsistent with the unrestricted resort; but I conceive that the resort of Europeans might probably be extended without introducing any other than beneficial results.

2384. The greater the number of Europeans in the country, would not the difficulties thrown in the way of the advancement of natives be greater?—If none went to India but such as had capital to employ in commerce or agriculture, no bad effects would follow from their residence. There would be some competition, no doubt, between them and the natives; but I think the balance of advantage would be greater than that of disadvantage.

2385. In your opinion, would it be necessary to subject the Europeans residing in India to restrictions, as well as to impose restrictions on their resort thither?—I do not know that any of the present restrictions could be dispensed with. It would be sufficient if the government had the power of sending them out of the country, and of sending them from one district to another, in case of their being guilty of any oppression, or creating any great disturbance in any particular district, as has happened sometimes. I am always supposing they are not so numerous as to form a very considerable community in India. Such a community would be very unruly, and very difficult to manage on the part of a government which must be always arbitrary in its character. If there were a great body of discontented colonists, such as at the Cape for instance, I think their clamours would probably weaken the government very much with the natives. Their disagreements with the natives would also be dangerous; and I think there would be a great increase of the feeling which there is now only among the lower orders of Euro-

25 Mar. 1830.

The Hon. M. S. Elphinstone.

peans in India, of contempt and dislike for blacks. There would be a more marked distinction between blacks and whites, as there is in all regular colonies.

2386. Where differences arise between the Europeans residing in India and natives, by what court would they be tried in the provinces?—At present, if the differences are of small consequence, they would be tried by the local court; but if of great consequence, the cause would go to the Supreme Court at the presidency.

2387. Would a poor native have the power of prosecuting an European in the Supreme Courts?—No, a poor native would not. The only chance would be the government taking up the prosecution, if it were a serious matter.

2388. If it were a civil case, in what manner could the native obtain his rights?—I hardly think he could obtain his rights at all, unless they could be afforded by the local courts.

2389. What is the present condition of the southern Mahratta country?—Part of it is in the hands of government, like the other districts; and the greater part in the hands of jaghiredars, chiefs of the Peishwa, to whom their lands have been continued by the British government.

2390. Is that part of the southern Mahratta country which is in the hands of the government governed like the rest of the country subject to the presidency of Bombay?—The native practice is continued more than it is in other districts under the presidency, and the Regulations have been less introduced.

2391. Are the revenue and judicial functions separate in the southern Mahratta country under our government?—They are in some degree, but much less than in the other provinces. There is no Judge stationed in the southern Mahratta country; the judicial proceedings are subject to the revision of the Sudder Adawlut.

2392. In what relation do the jaghiredars stand to the government?—They are subjects of the government; but the demands which the government retain on them are fixed by agreements which cannot now be altered. They consist of their furnishing a body of horse when called for, and perhaps some other duties of less consequence. They have a complete jurisdiction within their own territories, and the power of life and death.

2393. In what condition are the lands in those jaghires?—They differ according to the character of the individual chief. There is one great family, that of the Putwurdens, all the members of which have kept their jaghires in the highest state of prosperity. Some again, such as Appa Dessye, have carried on the greatest exactions and oppressions in their jaghires.

2394. How are those territories managed where the administration is well conducted?—The chief appoints collectors of

25 Mar. 1830.

The Hon. M. S. Elphinstone.

the revenue, who have the judicial power, as usual, under the natives, but they are not farmers; they have generally a light assessment; and the jaghire being small, the chief is able to pay attention to every part of it, and to see that there are no great abuses.

2395. Are many of them in a state of great prosperity?—Those of the Putwurdens are all in a state of great prosperity.

2396. Are they in a better state than our own provinces?—Perhaps even in a better state than our own provinces.

2397. Is not the assessment lower?—I should think it is lower.

2398. Is it not usually under the native governments, when compared, very much lower than it is under the British government?—That is not very easy to answer; for under the native governments the rent or tax fixed by the government may be small, but there are a vast number of exactions in different shapes which do not appear, and a great deal is embezzled by the heads of villages or other agents of the government. When our government is introduced a stop is put to exactions; but the money formerly retained, though fraudulently, by the heads of villages and others, is all drawn to the government, and the assessment in consequence becomes really heavier on them.

2399. Were not the native governments with which you were acquainted capable of preventing such exactions?—Never entirely.

2400. What is the condition of the small tributary states connected with the government of Bombay?—Those are chiefly in Guzzerat. In some of them the tribute is due to the British government only, in others the British government and the Guicowar, and in others to the Guicowar alone, but collected through the agency of the British government. Owing to the local calamities, to the oppressions of the Guicowar before we took the management of his share in our own hands, and to the division of the property among the junior members of families, I think they are generally in a bad state; a state of decay and decline.

2401. Do any means occur to you by which the state of those countries could be improved by any more extensive or direct intervention on our part?—I think it is probable that a more direct intervention would improve their condition; but we are in a great measure tied up from exercising it, partly by our agreements with the chiefs themselves, and partly by the relation they bear to the Guicowar.

2402. Are all those chiefs connected with the Guicowar; those of Kattiwar for instance?—About half, perhaps; but they are so intermixed with those that are connected with the Guicowar, that it is difficult to alter the system with them so long as the Guicowar's tributaries remain in their present state.

25 Mar. 1830.

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The Hon. M. S. Elphinstone.

2403. By what rule are persons appointed to office under the several presidencies ?—By seniority in their line, with attention to fitness, where there is any thing peculiar in the appointment. There is, of course, very little room for selection.

2404. When the number of persons from whom the selection is to be made is considered, and the rule by which they are ordinarily promoted to office, does the discretion left to the government enable it on all occasions to place in situations of the first power and responsibility persons in whom it can place confidence ?—Certainly not always such persons as it would desire.

2405. Will you state any advantages which, in your opinion, appear to attach to that system of appointment made by seniority ?—I do not know that there is so much any advantage that arises from that, as that it would be impossible to conduct a regular service without it. It would be impossible to get well-educated persons to go to India on the chance of getting appointments according to their merits, without a rise that is in some measure certain.

2406. Is there any other restriction, except in the Act of Parliament, on the choice by government of the servants to be employed ?—No other.

2407. The Act of Parliament restrains the government from giving an appointment of a certain value to an individual who has not been a certain number of years in the service; but it does not impose on the government the obligation of giving the appointment to a person who has been so many years ?—No, the Act of Parliament does not; but it is of course expected by every one to whom there is no objection that he shall get an appointment proportioned to his standing.

2408. The effect of the restriction in the Act of Parliament is greatly to limit the number of persons from whom the individuals can be chosen to occupy high situations ?—It does not limit it so much in practice; for when a man is near the time when he would be entitled to hold an office he gets an appointment, but without the full salary.

2409. To what extent have military officers been employed in civil situations ?—During the provisional government in the Deccan they were very generally employed in civil situations, and they have in one or two instances been employed in the revenue department under Bombay.

2410. With reference to the employment of military officers there is no limitation in point of the number of years' service, is there ?—No. The employment of military servants in civil appointments is in some measure irregular, and no notice is taken of it in any rules for promotion.

2411. Would it, in your opinion, be advantageous to employ

25 Mar. 1830.

—

The Hon. M. S. Elphinstone.

them more extensively, thus enlarging the number of persons from whom a selection for those situations may be made?—I think in the political line they may be employed indiscriminately with civil servants. In the civil department I think it would not be desirable to employ them without special reasons, for it would render the civil service so insecure that properly educated persons would not be disposed to enter it. Provided there was a sufficient number of appointments left for all the civil servants, there would be no objection.

2412. When a military officer has been employed for any time in a civil situation, is he replaced in his regiment?—No, he is not; he is still borne on the strength of his regiment.

2415. Therefore the number of officers present with their regiments is diminished in proportion to the number of officers employed in the civil service?—Yes; but the number of military officers employed in the civil service has not been so great, I believe, as to affect the efficiency of the army.

2414. How are the civil servants at Bombay educated?—They receive an education at the college of Hayleybury. In Calcutta and Madras there are colleges where they receive a further education in India. At Bombay there is no college; but they are subject to an examination in the native languages before they are permitted to enter on any appointment, and to a second examination before they are promoted to the next step in their line. A great deal of their education is acquired in the course of their duty, as they rise in the service.

2415. When they first arrive, are they retained at the presidency, or sent at once into the interior?—At Bombay they are sent into the interior after they pass their first examination, which is generally in three or four months.

2416. Might they not acquire in the provinces the knowledge necessary to enable them to pass even the first examination?—I think they might.

2417. Would it be advantageous to send them at once into the provinces?—Yes, I think it would. There are not so many in Bombay as to occasion much inconvenience from their being kept at one place, and they are not in a college; but whenever there is a great body of them together, I think it is always very injurious.

2418. Has it been found practically that the civil servants under the presidency of Bombay, educated without a college, have been less efficient in the performance of their duties than the civil servants of the other presidencies educated at the colleges?—I have had no opportunity of comparing them; but I should say certainly not.

2419. Do any measures occur to you for the improvement of the education, either in England or in India, of the civil ser-

25 Mar. 1830.

The Hon. M. S. Elphinstone.

vants?—I think it would be better if in England their attention was directed more to the knowledge which could be acquired only here, than to native languages, that can be better learnt in India; particularly to political economy and the general principles of jurisprudence (not English law, but general jurisprudence). Perhaps it would be better, if instead of being confined to any one college they were taken from any college where they could get a good education, and subjected to a very strict examination before they were sent out.

2420. Do you think there is any advantage in obliging persons who are afterwards to take civil situations in India to acquire the knowledge that would be requisite in India in a separate college?—I think not; this mode, I think, may be subject to disadvantages.

2421. Will you state the disadvantages that occur to you?—A great body of young men are brought together, without an institution which has been long enough established to impress them with respect or to maintain order amongst them. I think the effect of that will be to make them more extravagant, and less subordinate than they would be if they were otherwise educated.

2422. As many of the young men sent out to India in the civil service are connected with persons who have passed their lives there, is not there a disadvantage in keeping up a sort of Indian caste, by educating them in the same college?—As far as that goes, it would be a disadvantage; but I think the young men from Hayleybury have generally a prejudice against India and every thing connected with it.

2423. Under the Bombay presidency, who is at the head of the Judicial department?—The Sudder Adawlut.

2424. Is there not a Judicial Secretary?—There is a Judicial Secretary, but he is merely the channel of communication between the government and the Judicial authorities.

2425. What are the Judicial functions exercised by the Sudder Adawlut at the head of the Judicial department beyond those of a Court of Appeal?—Returns of all proceedings are sent to them, and they superintend all the proceedings, and see that they are correct, and that the Regulations are conformed to.

2426. Do they report on the conduct of judicial officers?—I believe they do. I am not certain whether they do in their civil capacity; but the Judge of Circuit reports on the state of every district, and the conduct of the officers.

2427. Do they make regular reports to the government on the general subject of the administration of justice and the management of police?—I do not think they make any report to the government on the Civil department, except in sending

in returns of the number of causes filed and decided. The Judge of Circuit reports on the police; and the government consults the Sudder Adawlut on all points connected with Judicial business, whenever it thinks it necessary.

2428. Does the Sudder Adawlut observe on the administration of justice by individuals?—It does.

2429. Who is at the head of the Revenue department?—There is nobody between the government and the Collectors.

2430. Has any practical inconvenience been found to arise from the absence of a Revenue Board?—No, I do not think that there has.

2431. What are the duties of the Accountant-general?—He receives the estimates from the Collectors of the probable receipts for every year, and also those of the charges from the departments of expenditure, and frames a general estimate for the government, and suggests the ways and means for the deficit. At the end of the year he takes all the accounts and submits them to the government. He corresponds with the Accountant-General in Bengal on all measures of finance. In Bombay he is also at the head of the Audit department, but not at the other presidencies.

2432. Is it the duty of the Accountant-general, or any other person, to report on the propriety, on the part of the Governor, of acceding to any proposed increase of charge or diminution of charge in any department?—Cases are often referred to him, but it is by no means a general rule; it is not prescribed as his particular duty.

2433. Is it the duty of any person on the behalf of government?—No. When anybody is consulted it is the Accountant-General.

2434. Is the increase of charge which takes place in the different departments of government brought before the government in a general way, at stated periods?—It is, at stated periods. The expenses of the past year and the immediately preceding year are contrasted at the end of every year of account.

2435. That is only done after the increase of charge has been already sanctioned?—After the increase of charge has been sanctioned, and has been for some time in progress. The whole of the expenses of the two years are contrasted. There is no particular review of new expenses, or the effect of new establishments.

2436. What are the duties of the Members of Council?—All business that comes before the government is submitted to them, and they give their opinions upon it. They have no separate duties.

2427. No particular part of the duty of government is delegated to them individually?—No.

25 Mar. 1830.

The Hon. M. S. Elphinstone.

2438. Has it been at any former period?—It sometimes happens that one member will be particularly acquainted with a branch of business that the others are not, the commercial department in particular; and in that case the other members generally defer to his opinion. But it has never been, as in Bengal, where at one time a particular member of the government was supposed to be at the head of the Revenue department, and another of the Judicial.

2439. Have any improvements occurred to you in the general constitution of the local government?—Yes; some of the powers of the Governor in relation to the Council require to be defined, and some of them increased.

2440. Have the goodness to state in what respect?—When the Governor quits the seat of government it is at present by no means certain what the intention of the Act of Parliament is as to the powers he shall retain, and the particulars on which he shall consult members of Council, or act independently. That point would require to be fixed. At present, he in effect acts altogether independently. It would be better to leave him that power, and also the power of consulting the Council, when he thinks it necessary.

2441. When the Governor is at the seat of government, has he the power of acting independently of his Council, and in what cases?—He has the power of acting in cases of importance. I forget the exact expression of the Act of Parliament, but it seems meant that it shall be on rare occasions, where the safety of the government would be endangered by an erroneous decision. I think it would be advantageous if the Governor were allowed the same latitude on all occasions, as he always must be the responsible person.

2442 Has any practical inconvenience been experienced from the doubt which has been entertained with regard to the exercise of that power?—No serious inconvenience. The Governor's powers have been discussed; but there never was any opposition that brought the discussion to any serious issue.

2443. The Members of Council being usually persons of high character and long standing in the service, would it not be advantageous to delegate to them particular functions in the government, so that the public might avail themselves of their services to the fullest extent?—If they were put at the head of departments, the government remaining on its present footing, each would be responsible for his own department, and the Governor would be in a measure superseded; the opinion of these heads of the departments in Council would then have much greater weight than it has at present, and the Governor's attention would be withdrawn from the department committed to each individual.

2444. If that power were distinctly given to the Governor of which you have spoken, of acting on all occasions independent of his Council, might not in that case the services of the Members of Council, being personally responsible for the good management of the departments over which they presided, be usefully available for the public service?—I think the head of a department would be more effectually responsible if he were not a Member of Council.

2445. If the persons at the head of the different departments, the Judicial and the Financial, were not Members of Council, might not still the advantages, whatever they may be, which are derived from the Members of Council, be still derived from those individuals; might not their opinion be required by the Governor on all occasions of importance, and recorded?—That might certainly be done, but it would not entirely supply the place of the Council as it is at present constituted. As every measure of government must be submitted to the Council, and discussed, that would be no longer necessary under such a system as that referred to, if I have understood it properly.

2446. The difference would be this, that under the present system every measure is submitted for discussion, and under the system which has been spoken of only those measures would be submitted for discussion which were considered by the Governor to be of sufficient importance to require it?—There is certainly very great inconvenience and loss of time in the long discussions there are on all subjects at present; but I think, in so distant a government, probably the advantage is greater than the evil.

2447. Do you allude to the advantage of knowing the opinion of more than one individual as to every measure adopted by the government?—That is perhaps the principal advantage; but the Governor, knowing that every measure he has to propose is to be immediately discussed, is obliged to mature it, and consider it more before he proposes it than he otherwise might do.

2448. At present the Governor and the Members of the Council are all held to be equally responsible for every act of the government, however unimportant, are they not?—By law I believe they are, except in cases where the Governor is empowered to interpose, under the provisions I have before alluded to; but practically, I imagine, the responsibility rests entirely with the Governor.

2449. The responsibility resting with the Governor, ought he not to have the power of having his own opinion adopted on all occasions?—I conceive he ought.

2450. Practically, every measure of the government comes before the Council?—Yes. No proceeding can be undertaken without coming before the Council, unless in the absence of the

25 Mar. 1830. Governor, and then every document is laid before the Council on his return.

The Hon. M. S. Elphinstone.

2451. All details are brought before the Council?—Yes.

2452. Is it possible for the Members of the Council to read all the details that are brought before them?—In Bombay, it is.

2453. They are very voluminous, are they not?—They are.

2454. In a government of greater extent, is it possible for the Members of the Council to read through the documents which are brought before them?—I conceive quite impossible.

2455. Does any mode appear to you eligible by which the government would be relieved from that minute attention to details?—I am not aware of any manner in which it could, except by the appointment of boards, or of single heads of departments.

2456. Does it occur to you that any alterations could advantageously be made in the relation at present existing between the Supreme government and the subordinate presidencies?—I know no practical inconvenience from the present relation between the Supreme government and the other governments; but I think it would be desirable that the Supreme government should not possess, what I believe it very seldom exercises, the power of interfering in the internal affairs of the other presidencies, except in cases that were likely to affect the general interests. It is very necessary that the relation of the government and the Supreme Court should be defined in some particulars.

2457. Have the goodness to state in what particulars?—At present, no servant of the government acting under an order is responsible to the Supreme Court for his conduct. I should think it an advantage, if the government were allowed by an *ex post facto* approbation to invest their officers with the same immunity.

2458. If an officer of government now acts by the direct order from the government, he is, for that act, exempted from the jurisdiction of the Supreme Court?—Yes; but if he does it without a written order he is not exempt; and I think the court ought to have the power of taking the responsibility upon itself whenever it thinks proper. The Governor and Members of the Council are at present subject to the jurisdiction of the Supreme Court in a great many particulars, most of which I would not interfere with; but there are some on which I think a limitation might be placed. The Supreme Court ought not to have the power of summoning the Governor, or perhaps the Members of Council, as witnesses, or to serve on juries, which they have at present by law; and some provision ought perhaps to be made to protect the Governor against being subjected to the jurisdiction of the Supreme Court, and even liable to imprisonment, upon totally groundless charges of felony and treason. No

inconvenience has ever arisen from that power possessed by the Supreme Court, but such a case might occur; as a native power, or any individual whose object it was to degrade a Governor, might by a false charge subject him to confinement, with which I apprehend the Supreme Court would have no discretion to dispense. There has been a great deal of confusion arisen from the Supreme Court conceiving that it represents the King, and that the Governor does not. That might possibly be removed, if the Governor had a commission from the King as well as from the Company, as the Commander-in-chief has at present.

2459. Can you state any instances in which Europeans, or servants of the Company, have been summoned before the Supreme Court for oppression to natives in the provinces?—I remember at least one prosecution by the government of one of its own servants, for oppression to the natives. I do not know that I recollect any other.

2460. Has the law on any occasion been put in motion otherwise than by the government?—I do not think it has. I have known an instance of a native resisting a demand of a Collector, and contesting it in the Supreme Court, but not on the ground of oppression.

2461. Was that permitted by the Supreme Court?—It was. The case was not decided when I left Bombay. It was a case in Salsette.

2462. What power of legislation does the government possess, if any, within the jurisdiction of the Supreme Court?—It has power to make Regulations for the internal government of the presidency, or the seat of the government, which shall not have force until they have been registered by the Supreme Court.

2463. If the Supreme Court should refuse to register on any ground, has the government any remedy?—I do not know what remedy it has, unless it be by appeal to England: it has none in India.

2464. Has it any by appeal to England?—I should think not.

2465. Practically, therefore, the Supreme Court has the power of preventing any legislation whatever within the limits of its jurisdiction?—It has.

The witness is directed to withdraw.

Ordered, That this Committee be adjourned till To-morrow one o'clock.

Die Veneris, 26° Martii 1830.

The LORD PRESIDENT in the Chair.

The Honourable MOUNT STUART ELPHINSTONE is called in, and further examined as follows:—

26 Mar. 1830.

The Hon M. S. Elphinstone.

2466. You stated in your evidence yesterday, that the grants of land called jaghires are resumable by the government at pleasure, at the death of the occupier; are they in general so resumed?—Under the native government they are not in general so resumed, because the same motive for keeping the troops up continues to exist that existed at the time they were granted.

2467. Have they been resumed under your government where occasion has offered?—All the jaghires in the Mahratta country which were for the maintenance of troops were resumed at the conquest, that portion only being left which was for the maintenance of the chief himself and his immediate followers. When the chief was not a member of a family of consequence, or where there was no other motive for keeping up the allowance, the jaghire was resumed at his death. The native governments frequently resumed, even during the life of a jaghiredar, when they were offended with him.

2468. Are the Committee to understand that there has been no resumption under the government of the Company during the life of the occupant?—I do not recollect any resumption since the first conquest from the Mahrattas.

2469. Is there any regular principle laid down as to the resumption of grants when opportunity is afforded for it, or is each case left to be considered on its own merits?—In the old territories, I think, each case is left to be considered on its own merits. In the Deccan, when I quitted that part of the country to go to Bombay, I sent in a list of all the jaghiredars, with a recommendation specifying which should be perpetual and which should be resumed, and on what occasions.

2470. Can you state generally the principle on which you made the distinction?—I think all granted from the Great Mogul or the Mahratta Rajahs, and all which belonged to very old families under the Peishwas, were to be perpetual.

2471. Was that with a view to the maintenance, in the country, of that class of society which we should describe as the aristocracy?—Partly that, and partly to conciliate the feelings of the natives.

2472. Where the jaghires are resumed, and no fresh grants made to individuals, in what manner are they disposed of?—

There exists no rule for their disposal at present. I strongly recommended that they should form a fund from whence to afford the rewards for meritorious native servants of the government.

2473. What extent of interest is given to the native servants when those grants are made to them as rewards?—They are sometimes granted for life, sometimes for more than one life, and sometimes perpetually. It will probably be best that the grant should frequently be perpetual.

2474. Do you conceive that the prospect of acquiring land under such circumstances operates as a strong stimulus to the exertions of individuals?—I should conceive that it certainly would.

2475. You stated in your evidence yesterday that considerable grants were enjoyed by particular families, naming the Putwurdens particularly, and very advantageously managed by them; will you describe more particularly what those families are?—It is one single family of that name. They have branched into several divisions. The lands which they originally held have been divided among them, and they have obtained new ones, so that they possess a considerable tract of country. Though not of very old standing (probably the third generation), they were military chiefs under the Peishwa, and their lands were granted them for the maintenance of troops in his service.

2476. Can you state what their system of management is?—I am not acquainted particularly with the details of their management; but I have heard their success ascribed to their not farming their lands; to their moderation in assessment; to their always employing the same servants; and to the advantage they derive from the emigration of numerous cultivators from the worse managed districts of the Peishwa in their neighbourhood.

2477. Have the lands under those circumstances materially improved in productive value?—They have improved considerably in productive value.

2478. You are of opinion, then, that there is a disposition in the natives of India to emigrate freely into districts in which they find themselves liable to be moderately assessed, and where they find the security of person and property?—I think there certainly is such a disposition, though it may be limited by distance and other obstacles.

2479. Are the persons to whom jaghires have generally been granted of the Hindoo or the Mohamedan faith?—Generally the Hindoo; though those of the Moguls are perhaps more frequently Mohamedan; but those form but a small part of the whole.

2480. Have you observed any difference in the system of

26 Mar. 1830.

—

The Hon. M. S. Elphinstone.

management between those of the one and the other persuasion?' —Generally speaking, the Mohamedans are more careless and more rapacious than the Hindoos; but some of the Hindoos are quite as bad as any Mohamedans.

2481. Which of the two descriptions have the greatest disposition to accumulate capital?—I should think the Hindoos, decidedly.

2482. In cases where capital has been so accumulated, in what way is it generally applied?—A good deal is hoarded by the chiefs that have a disposition to save, and it is spent by their successors who have another turn. Great sums are expended on marriages and on other great ceremonies.

2483. Is there any disposition to apply it in commercial speculations?—The great native chiefs often lend out money at high interest, which is employed in commerce; and they sometimes employ banking-houses to carry on commercial business on their account; but this is seldom avowed, and is not the general practice.

2484. In those cases is it lent to native or to European merchants?—To native merchants.

2485. Do the natives acquiesce willingly in the great powers which are understood to be exercised by the jaghiredars?—Perfectly.

2486. With as much willingness as in the sentences of other tribunals?—Quite as much, unless in cases where the proceedings of the jaghiredars are evidently tyrannical, which sometimes they are, owing to individual character.

2487. Do you conceive considerable attachment to exist towards the jaghiredars where they conduct themselves with leniency towards the population under them?—I conceive that the people are attached to them, but it is not so strong as a clannish attachment.

2488. You stated that the survey of the country, intended with a view to a new system of leases, was not yet completed? —Not yet.

2489. No leases have been made under the particular plan you described yesterday, namely, that for a limited term, not to be increased afterwards?—None have been made in furtherance of that particular plan; but leases have been ordered in in the whole of the district of Guzzerat for seven years, no immediate alteration in the assessment being considered necessary there. Most of Guzzerat is not heavily assessed at present; it is the most flourishing country in India.

2490. What are the comparative advantages which Guzzerat possesses?—It is very difficult to answer that question. Probably that it is a country into which the Mahrattas were never able completely to introduce their authority; or at least that

people discontented with their government have very great facilities in retiring beyond the reach of its power. 26 Mar. 1830

The Hon. M. S. Elphinstone.

2491. Under what authority then was Guzzerat administered?—It was administered under the authority of the Mahratta government; but it is full of forests and ravines, and places that are very difficult of access, and into which their cavalry could never penetrate, and where they could never perfectly establish their dominion. The inhabitants of the most accessible parts had always those retreats to retire to in case they were oppressed by the native government.

2492. Do you conceive, then, the prevalence of the ancient usages of the country to have been more favourable to its prosperity than any regular native government?—I am not sure that it is so much owing to particular usages of that country, as to the limit which was placed to the exactions of the government by the means which the natives possessed of evading them.

2493. Can you state generally the degree of variation in the amount of produce throughout the country arising from the variety of seasons?—I cannot state it very precisely; but it sometimes amounts to a total failure of all revenue.

2494. You mean to the failure of produce to such an extent as to make it impossible to extract a revenue?—Yes.

2495. In comparing the lands leased to Zemindars with those leased to Ryots, have you found it more easy to deal with the one description than with the other?—Lands are leased to Zemindars (though not bearing that name) in one part only of the Bombay territory. It has not been found easy to manage, owing to the difficulty of protecting the Ryots from the exactions of the Zemindars.

2496. With respect to the payments due to the government, and in his other relations with them, is the Zemindar, or the person answering to that appellation, more punctual and more to be depended on than the Ryot?—I should think there would probably be less fluctuation in the revenue where the payment was by the proprietor of a considerable tract of country than where it was by individual Ryots.

2497. Is the existence of a class of persons under the description of Zemindars an advantage to the government in other respects?—In that part of the country it is by no means an advantage to the government. The people are particularly oppressed; and from particular circumstances I do not conceive that the Zemindars are attached to the government. The principal circumstance is, that they are chiefly dependents of the Peishwa's government, recently elevated by its favour.

2498. Is there any difference in the moral character or education of the Zemindars, as compared with the Ryots, to the advantage of the former?—There is a considerable difference.

26 Mar. 1830.

The Hon. M. S. Elphinstone.

The whole of the Zemindars in the part of the country alluded to are Brahmins, and consequently of the educated class; they are generally people that have been connected with the government, or with farming the revenue.

2499. You do not conceive, then, that any of the beneficial effects to society, and the existence of a better class, or an aristocracy, is attained by the maintenance of the Zemindar class?—Certainly not in that instance; but I beg to observe that this class is entirely dissimilar to that which bears the same name in Bengal.

2500. You consider, then, that the same circumstances, affecting the gradations of society, do not apply in the same degree to the different parts of India?—I do not conceive that they do.

2501. Can you state whether the Zemindars in Bengal are Brahmins of the same description as you have stated the Zemindars under the Bombay government to be?—No; they are quite a different description of people; they are seldom persons that have been employed in the public service.

2502. Will you state upon what circumstances of difference in their condition you found the more favourable opinion you appear to have of the Zemindars of Bengal, as compared with those under the Bombay government?—I have had very little opportunity of judging of the Zemindars of Bengal, especially in Bengal Proper, where they principally exist; but I know that the administration of the correspondent class in Bombay is attended with very bad effects, which I do not hear to be observed to an equal extent in Bengal.

2503. You stated in your evidence yesterday, that none of the higher ranks are employed as native Judges; does that arise from their indisposition to undertake that office, or from their supposed unfitness for it?—From their indisposition.

2504. How do you account for that indisposition to hold offices necessarily connected with the exercise of great authority?—Most of them have been accustomed to great arbitrary authority under the former government, and would not be contented with so limited a share of power as they would possess under our system.

2505. Supposing the salaries of the native Judges to be increased, would that produce a desire to hold those offices?—I make no doubt it would in some degree; but I am not certain that it would improve the administration of justice, as it is probable that those great chiefs would be less attentive than persons of lower rank.

2506. From what class of persons are the Judges now selected?—The question is not easy to be answered, from the great difference in the grades of society in India and in this

country; but they are generally persons who have been employed in the middle ranks of offices under the former government. 26 Mar. 1830.

The Hon. M. S. Elphinstone.

2507. You stated yesterday your doubts as to the beneficial effects of the introduction of the jury system into the native courts in India; does that apply equally to what we term the grand and the petit jury?—I think it applies equally; the power of the grand jury being smaller, the inconvenience would be less, but I think the advantage would be proportionably so. The object in India is not to prevent innocent persons being brought to trial, so much as to obtain the assistance of natives to sift the evidence brought forward against persons who are accused.

2508. Do you conceive any advantage would result from a combination of the Supreme Court with the court of Sudder Adawlut, for the purpose of administering justice to the natives?—I do not think any advantage would result from it. It would have a tendency to introduce the technicalities of the English law into the administration of justice in the lower courts.

2509. Should you, for the same reason, consider that the establishment of circuits by the Supreme Court would be objectionable?—I should.

2510. Supposing it was thought expedient to form a new code or system of legal Regulations for the natives, would it be necessary, in your opinion, to have a different code or system in the different parts of India, owing to the variety of laws and usages which prevail?—Yes, I conceive it certainly would.

2511. Do you think it would be found quite impracticable to apply one common code to the whole of the Indian territories?—I think it would. There might be a general correspondence, such as may be found in countries in Europe the laws of which are founded on the Roman law; but there must also be very great points of difference.

2512. Subject to those differences, do you think that such a regulation might be attended with advantage?—Perhaps at some remote period it might; but in the present state of our knowledge of India I think it is desirable to abstain from all attempts to introduce uniformity.

2513. Do you conceive it necessary to maintain in India two distinct systems of law for the Europeans and for the natives?—I think it is. The Europeans would never be contented with the system of law that suits the natives; and the probability is, that great alterations might be made to accommodate them that would not be equally suitable or even acceptable to the natives.

2514. Do you conceive that any dissatisfaction exists in the

26 Mar. 1830.

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The Hon. M. S. Elphinstone.

minds of the natives, from the idea that there is one law for the Europeans and another for them?—I should not think there was, as they are accustomed, even amongst themselves, to see different classes living under different laws. There may be some dissatisfaction from the courts to which the Europeans are subject not being equally accessible with those to which the natives are subject.

2515. Having filled different official situations in various parts of India, have you formed any opinion, as to the native race which is most capable of improvements; or do you consider them all in the same light in that respect?—I do not conceive that the difference is very great. Some are more tied down by religious prejudices than others, and consequently less accessible to improvement.

2516. Do you conceive that, upon the whole, those religious prejudices are in any degree diminishing under the present system of government?—Amongst some few of the educated classes only, I think, they are.

2517. Do you see any probability of that diminution of prejudice extending itself further among the other classes of society, either from the effect of education or any other circumstances?—A very great probability, from the effect of education.

2518. How does it appear to you that the objects of education can be most extensively and usefully effected?—By the encouragement to the greatest extent of village schools; by the printing of books for the use of those schools, and of books of entertainment and instruction for the lower class of people; by the foundation of colleges for higher branches of knowledge, and by the publication of books in those departments of instruction. Probably more by a systematic education of the natives for office than by any other means that can be attempted.

2519. Are the Brahmins or other persons who possess authority among the natives favourably or unfavourably disposed to the extension of education amongst them?—In general I should think they are rather unfavourable, though some individuals have exerted themselves to promote it.

2520. But you do not apprehend such a degree of resistance from them as would ultimately defeat the object?—I do not; as long as they do not perceive the inseparable connection between the diffusion of education and the destruction of the superstition on which their power is founded.

2521. In reference to the education of the Company's servants at home, you have stated objections to exist to a separate system of education; do you conceive that the knowledge usually acquired at our schools and colleges is a sufficient preparation for young men to go out to India, and to exercise the functions which are there allotted to them soon after their

arrival?—I should think they were. They might, perhaps, with advantage, also be instructed in the grammars of the native languages; and those who chose in Sanscrit and Arabic, which are dead languages in India as well as here. But all other knowledge peculiar to India is better acquired on the spot; while much knowledge is attainable in England which can never afterwards be obtained in India.

2522. Would it not be necessary to establish a preparatory system of education, then, after their arriving in India?—Some attention would be necessary to provide native instructors for them; but I think their studies might be left to their own conduct, provided they were subjected to strict examinations before employment.

2523. Is there any thing that occurs to you beyond what you have already stated, calculated to effect an improvement in the condition of the native subjects of the East-India Company?—I have stated the principal means of improving their condition; which are, light assessment, clear laws, education, and employment. No other means of improving their condition occur to me; but I might perhaps lay more stress on education expressly for employment, as contributing so much to promote the fitness of the natives for taking a share in the administration of the country, and also as affording a stimulus to education, by the connection which it establishes between instruction and promotion.

2524. Would there be any difficulty in finding persons in India calculated to carry on the education of natives with the particular views you have described?—Very great difficulty in procuring persons capable of teaching the European branches of it; that is one of the principal obstacles which is felt to the promotion of the higher branches of native education. The only remedy would be to provide young men properly qualified in this country, who should proceed to India at a sufficiently early age to admit of their learning the languages of that country.

2525. Have you any doubt that, supposing such a supply were provided from this country in the first instance, a sufficient number of natives might ultimately become qualified to carry on the business of education, in the sense you have described?—I have no doubt of it.

2526. Is there any willingness on the part of the natives to learn the English language?—There is no unwillingness; but there is no great disposition among them to learn it, except where they are likely to be employed in offices where a knowledge of English is necessary.

2527. Is the condition of those lands that are granted as jaghires superior to the condition of those for which a regular rent is paid?—Generally speaking I should say not, though there are instances in which jaghire lands may be superior to

26 Mar. 1830. any of those which pay a revenue; but of this fact I am not positive.

The Hon. M. S. Elphinstone.

2528. How is it with respect to those lands that are held at a small quit-rent, or those that are held without paying any rent at all?—The difference between them and the lands which pay rent is by no means so great as might be expected.

2529. Are the sea customs *ad valorem* or rated duties?—There was an alteration of the system going on when I left India. I rather think a tariff was to be established, according to which all duties were to be paid; or rather they were paid according to certain rates, and the value was to be fixed by the tariff.

2530. Has the rate of the sea customs been recently diminished?—I think not, under the Bombay presidency.

2531. Do you know what proportion the transit duties bear to the whole amount of that levied under the head of customs?—I think the sea customs of the Bombay presidency are about twenty lacs of rupees, and the transit duties from ten to fifteen, or thereabouts.

2532. Do you conceive that the transit duties affect the price of the articles upon which they are levied to a degree beyond the amount of the duty itself?—Some increase of price must be occasioned by the loss of time occasioned by detention.

2533. Are the transit duties collected within our own territories, or merely on the passage through our territories to the territories of the native princes?—Both.

2534. Are the sea customs charged on every species of produce and manufacture, whether British or foreign; is it an universal tariff?—The charges are different, I believe. Those on British produce are regulated by Act of Parliament, and those on other produce by the Regulations of the local government.

2535. Do the transit duties apply to the same articles exactly?—They apply to many articles not imported by sea. I rather think the payment of sea duties exempts the goods from the subsequent payment of transit duties, but I am not positive.

2536. Do you conceive that if the transit duty was commuted for an addition to the sea duty the articles would come to the consumer at as low a rate as they do now under the two duties?—The articles imported by sea would not; but many articles which now pay transit duty would, no doubt.

2537. What is the general proportion of the land assessment to the produce?—That is extremely uncertain; but it is generally reckoned at from one-third to one-half; seldom, I believe, so much in reality as one-half.

2538. Would the condition of the people in general be im-

26 Mar. 1830.

The Hon. M. S. Elphinstone.

proved if the land assessment were substantially reduced to a lower proportion?—It certainly would.

2539. Would such an improvement in their condition give them increased means of purchasing such articles as those upon which the sea customs are now levied?—It no doubt would give them the means; but I doubt whether those are the articles on which they would first expend any addition to their incomes which they acquired.

2540. Upon what articles do you think they would expend those increased means?—More probably on the domestic productions which they are now in the habit of consuming than on foreign imports. The benefit would chiefly be derived by the poor, who would consume more grain and wear more clothes than they do at present.

2541. Would not that general improvement of the country tend ultimately to a greater consumption of articles imported from abroad?—No doubt it would.

2542. Would not, in that case, the sea customs bear a moderate increase of duty?—They clearly would bear an increase in case of such an improvement as is supposed.

2543. You stated that you conceived it would be advantageous if greater facilities were given to the residence in India of persons possessing capital, provided the power of removal were still retained?—I think too much facility cannot be given to the settlement of capitalists in India.

2544. What are the rules by which the grant of such facilities is now regulated?—I have not the means of answering that question. They are granted in England by the Court of Directors and the Board of Controul.

2545. You think that an extension of the facility is desirable? —I am not aware what facilities are at present afforded, or whether the number of the capitalists who go to India is limited by the difficulty of obtaining permission.

2546. Does it require the permission of the Governor of the presidency to enable such a person to reside at any distance from the presidency?—I believe it does. My difficulty in answering the question is occasioned by my not being able to distinguish in my memory between the cases of persons who have obtained the permission of the Court of Directors to reside in India, and those who have not. Persons that have not the permission of the Court of Directors are frequently allowed to reside at the presidencies without being questioned; but the greatest difficulty is made in permitting them to go into the interior. There are, however, but few Europeans residing in the interior of the provinces under Bombay.

2547. What particular articles of produce might be extended

23 Mar. 1830. by a greater application of capital?—I am not very capable of answering that question; but sugar and cotton occur to me.

The Hon. M. S. Elphinstone.

2548. Could silk?—There is not much silk produced under Bombay at present, but I think that it might. Some was produced in the southern Mahratta country, owing to the exertions of the gentleman who was Collector there.

2549. One of your answers seemed to imply that redress of injuries by one native against another was more easy than by a native against an European; is that the meaning you wish to express?—Certainly.

2550. Will you state to what extent and in what manner a protection exists to an European that does not to a native?—In serious matters no redress can be obtained from an European by a native, except by application to the Supreme Court at the presidency.

2551. To what degree are proceedings in such cases more tedious or more expensive?—They are more tedious and expensive, in the first place, owing to the distance. I am not able to speak precisely to the additional expense or delay, from the different nature of the proceedings, but I should think it was considerable.

2552. To a native residing at a distance from the presidency, is such redress unattainable?—It is certainly not unattainable if he has the means of proceeding to the presidency, or of employing some person there; but to a poor man it is.

2553. Where in any case the government has reason, from information it has received, to believe that any European functionary has misconducted himself to any native, is it not the practice to institute a commission of inquiry, for the purpose of ascertaining the circumstances?—It is.

2554. And in the event of the fact being proved, would not the person so convicted be punished by deprivation of office or dismissal from the service?—Yes, he certainly would; and probably be prosecuted in the Supreme Court also.

2555. This partiality of the law, if it may be so called, applies not to functionaries only, but to European residents?—Yes, it does.

2556. Is redress more easy to an European against a native than to a native against an European?—It certainly is. None of the difficulties to which I have referred exist in the case of a native. There is more facility, as far as mere Regulation goes, in complaining against a functionary than against a private European.

2557. Will you state the different circumstances under which they are placed by the Regulation?—There are particular tribunals established throughout the country to which complaints may be addressed against fanctionaries; and in those cases, as

well as in the case of crimes by Europeans, the tribunals in the country have the means of forwarding a notification of them to the presidency; but I am not aware that there is any such provision for punishing complaints in civil matters. 26 Mar. 1830.

The Hon. M. S. Elphinstone.

2558. Would there be any objection to making Europeans residing in a distant part of the provinces, who were not in the service of the Company, subject to the jurisdiction of the European magistrates?—I think there would be an objection to their being entirely subjected to the local tribunals, because the law which is administered in the provinces would not be always suitable to them, and the complaints which they would in consequence make would probably lead in time to the alteration of that law in a manner not suited to the natives. For example, it might be considered oppressive to try an European in a capital case without a jury; while it might not be reckoned expedient that the use of juries should be extended in such cases to natives. There must be many similar points in which a prejudice would be created by applying the laws in the provinces to Europeans.

2559. Is not that contingent inconvenience a less evil than that which subsists at present, which appears to be in many instances a denial of justice to the natives?—I do not think it is. The Europeans are subjected, to a certain extent, to the local tribunals; and their number is not at present so considerable as to create any considerable inconvenience from the cases in which they are not.

2560. Upon what articles are the transit duties taken?—On a great variety of articles. I am not able to specify them.

2561. Have licenses that have been granted to Europeans to reside at a distance from the presidency been in many instances revoked or refused?—I do not recollect any instance under Bombay where they have been revoked. They have frequently been refused to Europeans residing at the presidency, without a licence from the Court of Directors.

2562. Is there any principle by which you are guided in refusing or granting them?—I do not at this moment recollect any being refused, except to persons who had not permission from the Court of Directors to reside.

2563. Have they ever been granted to persons of that description?—They have in one or two instances been granted, on another person becoming responsible for their receiving permission within a year.

2564. The principle is not to give permission unless they have that licence?—It is.

2565. Is it a matter of course to grant such licence on their being able to obtain a person to be so responsible?—By no means a matter of course; the government departs from its

26 Mar. 1830.

The Hon. M. S. Elphinstone.

strict line of duty in granting a permission at all to a person who has not the permission of the Court of Directors to reside in India.

2566. It reports immediately to the Court of Directors every such permission as soon as it is granted?—It does.

2567. Have many applications been made for such licences? —There have not; the number of Europeans residing in the provinces under Bombay is very small.

2568. Is the Governor's licence to a particular place, or merely for permission to reside at a distance from the presidency?—I believe for a particular place; but I should think there would be no difficulty in a person who had a licence for one place obtaining a passport for another.

2569. What is the description of Europeans who have been at Bombay without the licence of the East-India Company?—All descriptions of persons.

2570. Have there been any persons of capital?—I should not think there have.

2571. Any persons connected with any mercantile concerns? —I really cannot answer. At the presidency little distinction is made between those who have and those who have not a licence; but I should think that few would be there without a licence, except persons who had made up their minds on the voyage to remain, or deserters from ships, or persons that knew it would be impossible to get a licence in England.

2572. How are the half-caste persons considered in Bombay; are they considered to be natives?—They are natives in the eye of the law; Europeans in the eyes of society.

2573. Are they employed in any offices under the government?—They are very much employed as clerks in all the public offices.

2574. Do they hold the rank of non-commissioned officers in the Bombay army?—No; I do not know any instance.

2575. Or in the marine department?—I rather think there are in the marine department. They are eligible to all employments held by natives; but I do not know that they are much employed in them. The government would probably be very jealous of a general employment of them, from a fear of supplanting the natives.

2576. That would exclude them from the army and navy?—They are excluded from the situation of officers in the army or navy.

2577. May they serve as privates?—I presume they may. I must observe, the half-caste in Bombay are so very few, that they probably would not occupy many more of the offices than they do if there were no restrictions. I do not think there are more than one or two thousand.

2578. Is the education of half-castes particularly attended to?—There is no public establishment for educating them. There are many schools where they are educated at the expence of their parents; but at Bombay there is no public establishment. There is a very considerable establishment at Bombay for the education of half-castes, but it is carried on by a subscription, and only assisted by government.

2579. Are the half-castes a superior race to the natives in point of intelligence or any other quality?—They partake partly of the native and partly of the European character.

2580. Are they not principally of Portuguese blood?—I do not mean to include them under the term of half-castes.

2581. Are the Portuguese numerous?—They may amount to about 50,000. They are partly descendants of Portuguese, and partly converts from the religions of the country, who have assumed Portuguese names, but retain in fact the manners, and in a great measure the religion, of their nation.

2582. Are they a very debased race?—Those about the towns are very little esteemed. In the country, probably, they more resemble the Hindoo ryots.

2583. Are there any considerable mercantile houses carried on by them?—There are one or two.

2584. Are the other half-castes you have alluded to respected by the Hindoos?—As far as they make a distinction between them and Europeans, I should think it was certainly to the disadvantage of the half-castes.

2585. As far as they make a distinction between themselves and the half-caste, how is it?—I should think it was to the disadvantage of the half-castes, and even of the lower orders of Europeans, in many respects.

2586. Are you aware that the East-India Company have made great efforts to diminish the charges of their government in Bombay?—They have to my knowledge made very great efforts to diminish the charges of their government.

2587. Have those exertions been attended with a success corresponding to their wishes?—Very great reductions were made.

2588. Is not the collection of the revenue in India unavoidably a very expensive one?—It is certainly very expensive; but I do not know how far it is expensive, as compared with the collection of the revenue in other countries.

2589. Does not the nature of the land assessment make the employment of a very great variety of officers peculiarly necessary?—A great number of officers are certainly necessary to collect the land revenue; but I have not the means of comparing it with the number of officers employed in this country

26 Mar. 1830. in collecting the excise, or the revenue derived from any other source.

The Hon. M. S. Elphinstone.

2590. Have the East-India Directors also made great exertions to improve their revenue?—They have, and in former periods perhaps more than was advisable. Of late I think the disposition has been very strong to moderate the revenue, as far as was compatible with the necessary expenditure of the government.

2591. Do you think the revenue arising from a land assessment susceptible of much improvement, under the existing system of cultivation?—I conceive that it would be a very great improvement if it were fixed, or a limit put to the increase of it.

2592. Do you conceive that the ryots are in a situation to lay out much capital in the improvement of the land?—The ryots are generally not possessed of much capital.

2593. Do you think the system of cultivation of the land by them, and under the Zemindars, has been much improved since the territory of Bombay came into the possession of the East-India Company?—There are very few people under Bombay that can be called Zemindars. The general cultivation, even in the short period that most of the territory has been under Bombay, has been very greatly extended; but it has latterly received a severe check from the fall of prices arising from that rapid extension of cultivation itself, as well as from other causes.

2594. Does the amount of land assessment leave to the cultivator much surplus of income for the maintenance of himself and his family in ordinary seasons?—I think it was conjectured in the Deccan, which is more heavily assessed than most of the provinces under Bombay, that it left about sixty in the hundred for the expenses of cultivation and the maintenance of himself and family.

2595. Do you conceive that the cultivators are now subject to heavy exactions on the part of the officers of the revenue?—I do not conceive that they are; though there must be many instances, no doubt, of corruption and embezzlement on the part of the native officers of government.

2596. Do you think that any attainable degree of vigilance could check those abuses under such a system of cultivation, under poor occupiers, as is now pursued?—I think if the revenue were once fixed there would be very little opening for corruption or abuse; if every man knew what he had to pay every year, and that it was neither subject to increase nor diminution.

2597. Have you not reason to think that now, in many instances, the slender means of the ryot render him unable to resist unjust demands of the revenue officers, or to carry an

26 Mar. 1830.

The Hon. M. S. Elphinstone.

appeal to a court of justice?—I conceive that to be less the case in Bombay than in any other part of India. The districts are small there, and the provision for the administration of justice is very ample. In new and unsettled districts, where great power is still left in the hands of the Collector and his establishment, there must be a greater opening to abuses of that nature than in those into which the usual checks have been more fully introduced.

2598. Are you of opinion that the ryot system, accompanied as it is with so heavy a land assessment, has had a tendency to keep the mass of the population in a degraded state?—I do not perceive that in places where the collection is made from the individual ryots the people are in a more degraded situation than in the other parts of the country.

2599. Is it not usual, under the Hindoo law, to subdivide the possessions of families among the children?—It is usual.

2600. Do not you think that has a direct tendency to increase the poverty of the mass of the population?—It must prevent the accumulation of property.

2601. Do not you therefore think that the land assessment, operating upon such a system as now exists in India, has a tendency to reduce the mass of the natives to that level which, in your evidence of yesterday, you conceived to be one of the bad effects which have resulted from foreign dominion?—I do not conceive that the land assessment has that effect. The land assessment may be laid on great proprietors as well as on small.

2602. Does it not actually fall, in a very great number of cases, on very small proprietors?—The number of large landed proprietors under Bombay is certainly small, but it frequently falls on the heads of villages, who are comparatively persons of property; and even in cases where it falls on an individual ryot, I am by no means certain that it prevents the accumulation of property by the ryots.

2603. Does not it fall on a considerable number who are unable, from the large amount of assessment to which they are subject, to improve the cultivation of their lands, and therefore to improve their condition?—When the assessment is too heavy, it must no doubt prevent the improvement of the country and the condition of the people, whether it is levied from great proprietors or from individual ryots; but no doubt, where there are large properties in the hands of great proprietors, there is more likely to be an accumulation of capital with which further improvements may be carried on.

2604. Have you reason to think that such improvements have been made in cases where large estates are possessed by individuals?—No, I cannot say that I have. The part of the Bombay territory which is in the hands of great proprietors is the least prosperous of the whole establishment.

2605. In what situations are the native officers generally em-

26 Mar. 1830. ployed now in Bombay?—They are employed in all the subordinate offices of the Judicial and Revenue departments.

The Hon. M. S. Elphinstone.

2606. In those situations, do you not think that, from the nature of the financial system now pursued, they are subject to great temptations to commit fraud and to be guilty of exactions?—The system which is now pursued is designed as much as possible to prevent their being exposed to such temptation.

2607. Do you not think, notwithstanding that, that they are very much subject to temptations; and that considerable abuses of that kind do still exist?—Their morality is rather loose, especially in matters connected with public money; but I do not conceive that the abuses which exist are by any means to be ascribed to the system.

2608. Are you not of opinion that the diffusion of a foreign capital, under such restrictions as you alluded to yesterday, would, by leading to an improved cultivation of land, very much facilitate the collection of revenue?—All extensive improvements must facilitate the collection of revenue.

2609. Do you not think that an increased employment of European capital upon the improvement of land would unavoidably lead to the creation of employments in which the natives might be engaged?—The employment of European capital is extremely likely to lead to such a result: not perhaps the employment on land so much as on any other object.

2610. Do you not therefore think that such employment would produce very considerable advantage to the native character, by affording to them opportunities of arriving at situations of confidence and of trust?—A greater variety of employments, and consequently a greater competition for labour, would no doubt improve the situation of the natives, and ultimately their character; but I am by no means prepared to say that such an influx of European capital is likely to occur as would produce such an effect. I have all along spoken under the supposition of an actual influx of European capital.

2611. Are you not of opinion that the private trader has a direct interest in acting in a kind and conciliatory manner towards the natives?—If he consults his true interest, I have no doubt he has; but I question whether any trader, unless he is one of a superior description, would look beyond the advantage of his present bargain.

2612. Do you not think that a person who from his situation was more dependent on such conduct, in order to recommend himself to the natives, than a person who was armed with the power of the Company, would feel it to be more his immediate interest to consult the feelings and dispositions of the inhabitants?—The more a person felt himself dependent on the good-will of the inhabitants, the more likely he would no doubt be to conciliate them.

26 Mar. 1830.

The Hon. M. S. Elphinstone.

2613. Would not such be unavoidably the situation of a private merchant, as compared with the situation of a servant or agent of the Company?—I do not immediately perceive that it would. A public servant has many motives for conciliating the good-will of the people that are placed under him, which I do not conceive any individual trader would have.

2614. Are not the wishes of the Company usually received by the people as a sort of law?—The wishes of the Company are never made known to the people, except in the form of laws.

2615. There is not, therefore, the same opportunity, or the same inducement, to consult the individual feelings of the inhabitants, in the case of agents of the Company, as in the case of private traders?—Your Lordship perhaps speaks of the Commercial Agents of the Company. The Commercial Agents of the Company have no authority whatever beyond that of a private trader.

2616. Have you reason to think that the attachment to caste that prevails amongst the Hindoos is as strong in commercial towns as in the country districts?—I should think it was.

2617. You do not observe any difference in that respect from increased intercourse with Europeans?—An increased intercourse with Europeans has a tendency to weaken the prejudices of natives, but I cannot say that I saw it had any effect in diminishing their attachment for caste.

2618. Are you aware that the excess of charge above the revenue in Bombay is greater than in any of the other presidencies?—It used to be very much greater.

2619. In fact, the whole deficiency of income of our territories in India is almost entirely referable to the presidency of Bombay?—I was not aware of that. But at one period almost the whole of the expenditure at Bombay formed a deficit; there was hardly any revenue; there never was any proportion between the revenue and expenditure of Bombay.

2620. Can you state to what causes it is to be referred that the excess of charge above income in the years 1825, 1826, and 1827 is much greater than it was in the years immediately preceding?—Partly to a diminution of the revenue, and partly to increase of charges.

2621. Do you ascribe the diminution of revenue to permanent causes, or only to those which are temporary?—Except in the cessation of the profits from opium, I consider the diminution of revenue to be temporary. The expence I conceive to be partly permanent and partly temporary.

2622. Can you state what parts are temporary, and what permanent?—There was an addition made to the allowances of the civil servants by orders from home, which, although it did not

26 Mar. 1830.

The Hon. M. S. Elphinstone.

bring them to a level with the other establishments, considerably increased the expence. Some addition was made to the military force during the same period, which I believe is permanent; and several expeditions were undertaken or projected, which must be considered as temporary. But I speak without a very distinct recollection of the causes that affected the particular years in question; I do not recollect the circumstances of those particular years. But on our taking possession of the Deccan in 1819 a great encouragement was held out to agriculture, and many other employments were closed against the people of the country; a great increase of cultivation took place in consequence. At the same time the destruction of the power of the Pindarrees also increased the cultivation of the country under the native princes in the neighbourhood. This was followed by a great fall of prices, and ultimately by a great diminution of revenue. There was one year a failure of the rains in most of the provinces under Bombay, which almost threatened a famine, and must have occasioned a great reduction of revenue, I conceive, though I do not recollect that it did.

2623. Can you hold out a prospect at any future period, and at no great distance, of the amount of the revenue approaching more nearly to the amount of the charge?—As the country improves it will probably approach more near to it; but there never was any sort of proportion between the amount of revenue and the amount of charge. The charges of Bombay were incurred for general purposes, and bore a considerable proportion to what they are now when we had little beyond the island of Bombay.

2624. Are you aware of a great increase of deficiency having occurred unexpectedly in the course of the last year?—I have heard that a deficiency has occurred; I can hardly say unexpectedly.

2625. To what cause is that to be attributed?—I speak entirely in the dark; but a survey was in progress for the purpose of reducing the assessment, and perhaps a reduction may have been made in consequence of the survey, or from considerations such as would have influenced the survey.

2626. When you left Bombay, had you reason to anticipate a still further decrease of revenue?—No further decrease of revenue than was intended to be made by the survey.

2627. The greatest part of the marine charge of India is borne by the presidency of Bombay, is it not?—I believe the whole.

2628. The army of Bombay is necessarily proportioned, not to the population of the Bombay territory which it may be necessary to controul, but to the circumstances of the native

26 Mar. 1830.

The Hon. M. S. Elphinstone.

states by which the Bombay territory is surrounded, and to the circumstance of its being a frontier?—Certainly. I think the additions made to the Bombay army, since the great extension of our territory in that quarter, have not borne any proportion to that extension.

2629. Can you state what proportion the military and marine expences of Bombay bear to the total revenue?—From the accounts on the table, the proportion they appear to bear is from seven-eighths to eight-ninths.

2630. Can you state what proportion the same expences bear to the whole revenue of Bengal?—From the same paper I see that it is between one-third and one-fourth. But I speak entirely from the paper on the table; I have no personal knowledge.

2631. Was not a considerable reduction of the charges made before you quitted the government?—A very considerable reduction.

2632. Amongst the resources of the government which you enumerated yesterday, you mentioned the town duties; how are the town duties usually applied in the presidency of Bombay?—They are not, as is I believe the case in Bengal, applied to local improvements; they are mixed up with the rest of the revenue of the country.

2633. Can you state whether any considerable number of weavers or manufacturers have been thrown out of employment since the extension of commercial intercourse with India: since the renewal of the charter in 1813?—I cannot say from my own observation that they have, as the provinces under Bombay were not remarkable for that description of manufactures; but I have no doubt, from the extension of the use of European manufactures among the middle classes, that a number of weavers must have been thrown out of employment.

2634. You stated yesterday, that if any resident Europeans were guilty of oppression they might be sent out of the country, or transferred to some other district; might it not be dangerous to allow a person who had shewn a disposition to oppression to remain anywhere in the country?—That would depend on the degree of oppression, and whether it appeared to arise from any occasional cause, or from one likely to have a permanent operation.

The witness is directed to withdraw.

Ordered, That this Committee be adjourned to Tuesday next, one o'clock.

Die Martis, 30° *Martii* 1830.

The Lord President in the Chair.

WILLIAM CHAPLIN, Esq. is called in, and examined as follows:—

30 Mar. 1830.

Wm. Chaplin, Esq.

2635. What situation have you filled in India?—After my return to Madras from the College of Calcutta in 1803, my first employment (with the exception of a few months passed in the Northern Circars) was under Sir Thomas, then Colonel Munro, in the Ceded Districts. I was first appointed under him as Registrar, which appointment I held for about a year. I was then nominated subordinate Collector in the Ceded Districts; to the charge of the two divisions of which territory I succeeded at different times, after Colonel Munro's departure. I was afterwards employed in the Southern Mahratta country as principal Collector and Political Agent, where I succeeded Sir Thomas Munro, on his quitting India for Europe, in the year 1818-19. I remained there a year and a half, and was then appointed sole Commissioner in the Deccan, in which office I succeeded Mr. Elphinstone, and remained there six or seven years.

2636. Are you still in that situation?—No; I left it nearly four years ago.

2637. In what manner had the revenue been settled by Sir Thomas Munro in the districts where you served under him?—It was settled entirely on the ryotwar system.

2638. Was there any survey?—A survey, classification, and assessment were undertaken by Sir Thomas Munro in the year 1801-2, and completed in the year 1806 or 1807.

2639. Will you state by whom that survey was made, and in what manner?—The survey was made entirely by natives, under the superintendence of the Collector's Cutcherry, and ultimately revised by the Collector himself. The detailed rules under which that survey was made will be found in the Appendix to the Fifth Report of the Select Committee, and a particular account of it in a letter from Colonel Munro, dated 26th July 1807, in that Appendix.

2640. Upon what data was the assessment fixed?—The collections of a long course of former years were ascertained as far as they could be from the records of the villages, from the information of the inhabitants, and that of the district officers and the neighbouring villages also.

2641. Was any valuation made of the productive power of the land?—Yes; a valuation was made, founded on the prin-

ciple of the collections and the price of the produce of former years, ascertained as far it could be from the records of the villages. The accounts of native merchants were examined for a long series of years to ascertain the value of the produce in different years.

2642. If any person was dissatisfied with the assessment fixed upon his land, what remedy had he?—An appeal was made to the Collector eventually, and the dispute was generally decided by the ryots themselves of the villages, or a punchayet of ryots of the neighbouring villages.

2643. Was the assessment fixed the highest assessment which it was thought fit in any case to exact for the land?—Yes; it was a maximum assessment, which was never expected to be wholly raised; it was a maximum assessment, beyond which no collection was ever to be made afterwards; it was an assessment the total of which was avowedly too high at the time to be realized without occasional and partial remissions, and it was recommended afterwards to be reduced.

2644. Was any abatement made?—No abatement was at that time made. A discretionary abatement was every year made by the Collector, wherever there was a partial failure of the crops, arising from drought, or from the poverty of the inhabitants. The collection was discretionary on the part of the Collector.

2645. Still the sum demanded was the maximum assessment?—The sum demanded was the maximum.

2646. Has any abatement been since made?—An abatement has been since made. It was recommended at the time of Sir Thomas Munro's departure from the district, that a reduction of one-third of the assessment of lands irrigated by wells or tanks, or other artificial sources of cultivation, should be made, and a reduction of one-fourth of the assessment of the dry lands. It was at that time conceived by the government that so large an abatement would occasion a greater decrease of revenue than the financial resources of government would admit of, and it was consequently not made; but a new system was introduced, by which it was expected that the same amount of revenue would be realized. It was a system of village leases, which superseded entirely the former ryotwar system.

2647. Therefore the government, instead of adopting the recommendation of Sir Thomas Munro, to reduce the assessment, invented a new system for raising the revenue, under which they thought they could obtain the whole amount of the maximum assessment?—Not the whole amount of the maximum assessment, because that was never realized under the ryotwar system; but it was expected that the same annual revenue would be realized under the lease system which had been under the ryotwar system. The whole maximum survey assessment never

30 Mar. 1830. — Wm. Chaplin, Esq.

was realized under the ryotwar system, and never could be, as long as there were bad seasons and poor ryot

2648. The new system of village leases held out no prospect of the government realizing a larger revenue than it had under the ryotwar system?—It could not, for the leases were for a term of years, for an amount I believe not exceeding the ryotwar settlement.

2649. What then was the advantage of this introduction?—It was expected that there would be less interference by the revenue officers with the ryots, and that the village lease system would be more accordant with the new system of Zillah Courts, introduced a short time previous to Colonel Munro's departure. The Zillah Courts had been but very recently introduced before he left the district.

2650. How long was the system of village leases continued?—The original leases were for three years, and on those leases expiring they were renewed for ten years in the whole of the Ceded Districts; but they were either cancelled or relinquished, I believe, long before the expiration of the decennial lease, in consequence of the failure of the system.

2651. Under the village lease, was the whole village liable for the defalcation of revenue that ought to have been paid by any one individual?—The village renter entered into an engagement to pay a fixed amount of revenue, and the government no longer interfered with the collection from the cultivators. The renter was left to make his own arrangements with the cultivators.

2652. What powers were committed to him of obtaining the revenue from the cultivators?—He had the power of distraining the property of the ryots, and eventually the power of placing them in confinement, by resorting to the Court of Adawlut, i the rents were not paid.

2653. Were complaints made by the ryots against the exercise of that power?—Yes. The ryots were subject, under that system, I think, to very great exactions; and the Collector being shut out from any direct intercourse with the ryots, had no power to afford them redress.

2654. Will you state whether, where lands were uncultivated, any rent was fixed prospectively on the event of that cultivation?—The survey embraced all lands, whether cultivated or waste; the waste lands were also surveyed and assessed.

2655. Upon what principle was the waste land assessed?—Precisely on the same principles that the cultivated lands had been assessed; with reference to their productive power, and what they had formerly yielded when in a state of cultivation.

2656. Where they have not been in a state of cultivation?—There they were assessed more in a rough way, on a conjectural

sort of estimate of what they would produce eventually, subject to revision in case they were brought into cultivation.

2657. In the event of such waste land being brought into cultivation, had the Collectors a discretionary power of affixing a value upon it?—That power was reserved to the Collector; but the introduction of village leases was not contemplated when that survey was made.

2658. What portion of the gross produce was taken under that settlement?—I think Colonel Munro's estimate was, that supposing the gross produce to be one hundred, the government share was forty-five, and fifty-five were left to the cultivator.

2659. If the ryot under the ryotwar system failed to pay the revenue to government, in what manner did the Collector proceed to recover it?—The Collector endeavoured to ascertain what were the real circumstances of the ryot, and if he found he had not the means of paying his rent, it was remitted; if he had the means of paying it, it was recovered by distraint of his property, and occasionally by restraint of his person, but that was very seldom resorted to.

2660. If any one or two ryots in a village failed to pay the revenue, had the Collector in any case recourse to the other ryots for the purpose of making up the deficiency?—Yes; that formed a part of the ryotwar system. In case of particular failures the general community of ryots were subject to an extra assessment, varying from five to ten per cent.

2661. Was that power of levying the extra assessment frequently resorted to?—Very rarely, in fact. It went in part only to counterbalance the remissions from the full assessment that were annually made to the ryots of villages.

2662. Can you state in what manner the revenue was assessed and collected under the administration of Poorniah, a native minister of the Mysore?—I have had no experience respecting the Mysore territory myself; but from its adjoining the Ceded Districts, I used frequently to hear of his management. I believe that Poorniah's system was very much the ryotwar system, and much on the same principle as Sir Thomas Munro's, that of forming the settlement directly with the cultivators; but a much greater latitude of authority was left to the Potails, or heads of villages, under the native administration, than under ours. I have had no connection with the Mysore myself, and therefore can only speak from hearsay.

2663. Do you know whether the assessment was low under Poorniah?—I believe it was a moderate assessment, because the country continued to improve under it.

2664. Was the improvement of the country under Poorniah greater than the improvement of the districts under the British Government?—No, I think not. We succeeded to the Ceded

30 Mar. 1830. — *Wm. Chaplin, Esq.*

Districts when the revenues were in a state of great dilapidation, and the resources of the country very much exhausted; and under the ryotwar system they gradually improved. I think the revenue was raised from about ten lacs to eighteen lacs of pagodas in the course of six or seven years.

2665. What powers had you as a Commissioner of the Deccan?—I had all the powers of a Court of Appeal, and I acted in fact as a Board of Revenue. I had the general controul and direction of the revenue and judicial administration in the whole of the Deccan.

2666. What settlement of revenue did you find established in the Deccan?—We succeeded to the possession of the Deccan after the farming system of the Peishwa, under whose government the districts were farmed out to the highest bidders. It was a system of rack-rent under which the country was very much impoverished.

2667. Was that system continued by you?—No; we introduced the ryotwar system immediately on succeeding to the administration.

2668. A settlement on the same principle as that established by Sir Thomas Munro in the Ceded Districts?—Very much so, except that we found it difficult to get our Mahratta Amildars to enter so much into the detail of the management of the villages, and to direct it with so much exactitude and regularity as in the Ceded Districts, where our servants were better trained.

2669. Was there a survey made in the same manner?—A survey was in progress when I left the Deccan, four years ago. I do not know what progress has been made in it. The rules and instructions for that survey will be found in the third volume of printed Selections of the India-House, from about page 880.

2670. How many European Assistants had you?—Under myself I had two Assistants; but in each district there were Collectors, and Assistants to the Collectors and Registrars.

2671. What administration of justice did you find established in the Deccan under the native government?—The system of justice was conducted entirely by the Peishwa himself and his officers, his Moamulutdars and Sirsubahdars; all great Sirdars too administered justice in their districts, but the administration was entirely discretionary and arbitrary; there were no set forms of proceeding, no regular dispensation of justice, but a great deal was dispensed through the medium of punchayets.

2672. What system of administering justice did you introduce?—For a considerable time we followed very much the native system of having causes settled by the Amildars and the native officers, and by punchayets, and subsequently a number of Munsiffs and Aumeens were established.

2673. What was the power in the first instance given to the

30 Mar. 1830.

Wm. Chaplin, Esq.

Europeans?—The powers given to Europeans were unlimited, as to the value of causes they were to settle.

2674. What power had they in the administration of criminal justice?—The Collectors had authority, I think, to award sentences to the extent of seven years' imprisonment; I forget the exact term of years; but in cases where the sentence was heavier than that they referred the cases to the Commissioner; and capital cases were referred through the Commissioner to the government.

2675. The Collectors under you had full judicial as well as revenue authority?—Yes; both civil and criminal.

2676. Have any changes been introduced since?—Two Judges had been appointed before I came away to a part of the Deccan.

2677. So that the administration of the revenue is now severed from that of justice?—It is. The Collectors have still all the powers of magistrates in the police department.

2678. Is that alteration, in your opinion, an improvement?—I think that the Collectors would not have had leisure to have conducted the survey with any sort of precision if they had not been relieved from their judicial duties.

2679. The survey being supposed to be completed, would it be advantageous that the powers of revenue and justice should be united in the same persons in that country?—I should rather doubt the expediency of uniting the two authorities entirely. The Collectors' duties press upon them often very heavily, and do not allow them to execute judicial duties with the precision required under our government.

2680. Is the arrangement now made for the government of that country more expensive than that introduced on its first conquest?—I have no doubt a very considerable increase of expense must have been incurred, because judicial officers have been employed, and higher salaries have been given, both to native and European officers.

2681. Is it, in your opinion, better governed than it was at first?—It is governed with more regularity.

2682. Were military officers employed to any extent in the revenue and judicial line on the first conquest of that country?—I think almost the whole of the Collectors in that country were military officers, except in the southern Mahratta country.

2683. Did they perform their duties satisfactorily?—Yes, very much so. They had been selected as men of talent, and as having a competent acquaintance with the native languages.

2684. Are any natives exempt from the jurisdiction of the Provincial Courts in that country?—There are several Sirdars who exercise independent authority in their districts; all the Putwarden family, for instance, and the Rajah of Satara and the

30 Mar. 1830.

Wm. Chaplin, Esq.

Rajah of Colapore. Lists of privileged classes were also drawn out, who were to be exempt from the rigid operation of the rules of our civil courts.

2685. On what ground were they to be so exempt?—It was with a view to conciliate them, and to prevent them from conceiving that disgust to our authority which would probably have been the consequence of our succeeding to the government but for that circumstance.

2686. Was that a pledge given to them on the first conquest of that country?—I am not sure whether to this class any particular pledge of that kind was given, but their institutions were promised to be maintained to them.

2687. So that you would consider that the subjection of those persons to the jurisdiction of the Provincial or any other court was in fact a violation of the implied condition of their quiet submission to our government?—The subjection of any of those independent Sirdars to whom I allude would certainly be a violation, but not the subjection of the privileged classes, because that was more a matter of indulgence, I conceive, than of right.

2688. Was that indulgence made known to them at a very early period after our acquisition of the country?—Yes, it was.

2689. It has never been violated by the Company's government?—Not that I am aware of. It has been violated in some respects by several of those Sirdars having been summoned to Bombay by the Supreme Court, but not by our government.

2690. On what grounds were they summoned to Bombay by the Supreme Court?—The transactions adverted to have taken place since I left the Deccan, so that I cannot speak from any personal knowledge on the subject.

2691. What is the condition of the jaghiredars, and their position with regard to authority and property?—The condition of many of their jaghires is extremely flourishing indeed; some of them not so much so; but in general I think they are extremely well managed, particularly the jaghires of the Putwarden family. The whole of the country under the immediate government of the Rajah of Satara, I think, is extremely well managed. The condition of the subjects of the Colapore government was not certainly so flourishing.

2692. Are there any persons of large property in the Deccan who do not possess the independent authority of the jaghiredars?—Yes; there are several jaghires held by Sirdars of considerable consequence and considerable wealth, who have not independent authority in their own lands.

2693. Is that an ancient aristocracy?—Part of it I believe to be so. The Putwardens are the principal among the independent Sirdars; but I think they are not a very old family;

30 Mar. 1830.

Wm. Chaplin, Esq.

I believe that they were raised by the Peishwa about ninety years ago.

2694. Do those jaghiredars and men of great property ever come to Bombay?—Very rarely. They have a considerable apprehension of coming to Bombay, for fear of coming into collision with the Supreme Court.

2695. On failure of heirs, do those jaghires lapse to the government?—A great many of them are held only during life; indeed most of them, I believe, are life jaghires; but many of them certainly would have been continued by the late Peishwa; therefore I conceive it would be the policy of our government to continue them. Others, that are only life jaghires, need not be continued by the government.

2696. In the event of jaghiredars having no heirs, and those jaghires lapsing, in what manner do you think the government could most advantageously dispose of them?—I think it would be a great advantage to keep all lapsed jaghires as a fund to reward meritorious individuals who distinguished themselves in our service. I conceive by that means that we should raise a native aristocracy of our own, which, from a principle of gratitude, would be very much disposed always to support our government, knowing that in the case of any revolution they would be the first to suffer.

2697. Do the jaghiredars and men of property in the Deccan use British manufactures to any extent?—There has been a considerable increase of the use of all articles of cloth manufacture of late years, I think; the superior skill of our artisans and our improvements in machinery having enabled us to import cloth, and to undersell the native weavers in their own market.

2698. Have British manufactures supplanted the manufactures of the country?—I think they have, to a considerable extent, except in articles of very coarse cloth used by the lower classes; those still continue to be manufactured; but the better description of cotton and silk cloths, and the finer articles of the fabric of Indian looms, have been very much superseded by our manufactures; and no doubt many manufacturers are compelled to resort to agriculture for maintenance, a department which is already overstocked, I am afraid.

2699. Do you conceive the use of our manufactures has increased, or only that the natives use the manufactures of England instead of those of India?—I think they use the manufactures of England instead of those of India, because they have been latterly much cheaper.

2700. Do they consume apparently a greater quantity of manufactures than formerly?—No, I think not; their circumstances are not so improved as to lead me to believe there is any great increase of consumption.

30 Mar. 1830.
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Wm. Chaplin, Esq.

2701. Is sugar cultivated, or could it be cultivated, to any great extent in that country?—Sugar is cultivated in various parts of the Deccan. There are very few parts of India, where there are means of irrigation, where sugar could not be cultivated.

2702. Are there extensive means of irrigation in the Deccan?—Not so much in the Deccan as in other parts of India; we have there fewer tanks and reservoirs; but there are wells and streams of water from which by means of machinery a great extent of land is cultivated.

2703. Do you know any thing of the cotton district in Guzzerat?—No; I have never been in Guzzerat. Cotton is grown to some extent in the southern Mahratta country, but it is of inferior quality to the Guzzerat cotton; and as there is no great demand for it, the cultivation of it is not extensive, and it is conducted in rather a slovenly way. The amount produced is not very considerable.

2704. Do you know whether any quantity of cotton is cultivated on the western side of the Ghauts?—I think not. I have been in the Concan, but I do not think I have seen any cotton growing there. It is generally a red soil, which is not calculated for the growth of cotton. It is generally grown in the rich loam; the rich black soil.

2706. In what manner, according to your opinion, could the condition of the people of that country be improved?—The only means of improving the condition of the people generally is to lighten the assessment as much as possible; that I conceive to be the best means of improving the condition of the people.

2707. That respects the lower orders. In what manner would you propose to elevate the character and improve the condition of the higher orders of the people?—By allowing them to have a larger share in the administration, and providing them with honourable and lucrative employment. At present, all incitement to exertion is very much destroyed, the natives being confined very much to the subordinate offices, and all the paths of ambition being shut against them.

2708. Do you think that the natives could be introduced into higher offices than those they at present occupy, not only with credit to themselves, but with perfect safety to the British government?—Certainly; with perfect safety to the British government. You cannot perhaps raise them to an equality in rank and influence with Europeans, who must in general superintend them; but they may be admitted with great safety to higher employment, and (if I may be permitted the expression) to a greater share in their own loaves and fishes.

2709. Have the natives been employed lately to a greater

degree than they were in the first instance?—Yes, they have, to a very considerable degree. A number of natives have been appointed, on comparatively high salaries, to the judicial and to the revenue offices. 30 Mar. 1830. — *Wm. Chaplin, Esq.*

2710. As far as the experiment has been tried, it has pretty invariably succeeded?—I think it has.

2711. Do you think they are more particularly adapted to any one description of office than another, from your observation?—No; I think they are adapted to all offices. In point of natural ability, I do not conceive them at all inferior to Europeans; and as they must necessarily be more acquainted with their own habits and usages, they are in many respects superior to Europeans. Their intimate knowledge of the languages is also a consideration which must give them great efficiency in the administration of all offices; a knowledge which Europeans, even after twenty-five years' residence, can never acquire in so perfect a degree.

2712. Does this opinion apply equally to the Mahomedans and the Hindoos?—I think in general the Brahmins of the country are the best educated, and the best fitted for the discharge of all offices. The Mahomedans are in general worse educated, and they have had always a much less share in the public business. There are very few Mahomedans in the Deccan.

2713. Have the native Hindoos as great a confidence in the Mahomedans, when placed in offices of authority, as they have in persons of their own persuasion?—I should conceive, certainly not; being of a different religion, they cannot have the same respect or reverence for them that they would have for their own class.

2714. Have they as great as for Europeans?—Certainly not. The European character stands in general very high in India. They look up to the European character with considerable awe and respect, which forms the chief security, I think, of our precarious tenure in India.

2715. When you stated that the native jaghiredars have an apprehension of coming to Bombay, from its rendering them liable to the authority of the Supreme Court, to what exercise of that authority did you particularly allude?—Their servants and followers are very liable to get embroiled with the native population of Bombay, and then there is no doubt they would be brought into collision with the Supreme Court.

2716. You do not mean, then, that there exists any want of confidence in the justice of the Supreme Court?—No; I do not know that there is any want of confidence in the justice of the Supreme Court. I think the Supreme Court stands very high in that respect with the population at the presidency; and

30 Mar. 1830. — *Wm. Chaplin, Esq.*

as long as its jurisdiction is confined to the presidency, I should conceive it is extremely useful.

2717. In the cases where the jaghiredars administer justice themselves, are their punishments generally severe, or not?—I think in the Deccan, generally, they are rather mild. Punishments for treason and rebellion are generally much lighter than they would be in European countries. Theft and robbery are punished sometimes, under the native government, by the severity of mutilation, but seldom capitally, I think. Under the native governments, capital punishment is confined chiefly to cases of murder, I imagine; except in cases of gang-robbery, or very atrocious cases indeed.

2718. Is the exercise of the authority of the jaghiredar more efficacious in putting down that particular description of crime, robbery, than in the provinces administered under the English law?—I think that generally the police under the native governments was very efficient, from the exercise of their authority being summary; in many instances not less efficient than our own system.

2719. You think it was not more so?—In some cases more so; in some cases less; depending on the individual character of the person at the head of the native government.

2720. You stated the general capability of different parts of the soil of India for producing sugar; to what circumstance do you attribute sugar not having been brought into more extended cultivation than it is at present?—Because there is no demand for it.

2721. You have no doubt that if an European demand existed it would be much more extensively cultivated than it is at present?—I should conceive it would.

2722. Are you of opinion that, under these circumstances, improved machinery would be employed, so as to raise the quality of sugar to a higher degree of perfection than it has now attained?—I think that the skill and capital of Europeans might be applied certainly to that purpose, if there was a demand for sugar. If the duties in England were taken off, and the sugar of India were admitted on an equality with that of the West-Indies, I think it is probable that skill and capital would be applied to improve the cultivation of it.

2723. Do you conceive that the natives, of themselves, without any European assistance, would be able, under the same favourable circumstances, to improve the cultivation?—I think that they would require the assistance probably of Europeans. Their machinery is in a very imperfect state at present; and a great advantage might be derived from the skill of Europeans being applied to that particular branch of cultivation.

2724. What degree of interest in the tenure of land should

you consider sufficient to induce persons to embark their capital in creating sugar plantations?—If there was a probability of a ready sale for sugar, I conceive leases might be granted for the term of ten, fifteen, or twenty years to Europeans, with great advantage; always provided the government had the same controul over Europeans as they at present have.

2725. You think that term would hold out a sufficient encouragement for the investment of capital?—This sort of term has been found to answer, I believe, for the cultivation of indigo, in the upper provinces of Bengal, therefore I conceive it would answer equally well for sugar. It is a question to which my attention has not been much directed, therefore I can answer only imperfectly.

2726. Can you state nearly the proportion between the maximum assessment of which you spoke in the Ceded Countries and the amount realized?—No, I cannot accurately, without reference to documents.

2727. The difference was considerable?—The difference was very considerable. The total assessment by survey of the cultivated land in the Ceded Districts, which amounts to 3,200,000 acres, was eighteen lacs and 50,000 pagodas; and I think the amount of land-rent realized, when the amount was the highest, was from sixteen and a half to seventeen lacs. The amount realized, including other sources of income, was above eighteen lacs.

2728. How long did the decennial settlement of which you have spoken last?—The leases were either cancelled or thrown up about six or seven years, I believe, after the settlement of the decennial.

2729. What was substituted?—The ryotwar system was reverted to, with the reduction which had been proposed by Sir Thomas Munro. It was reverted to under great disadvantages, of course, from its succeeding the lease system, which had so completely failed.

2730. To what higher description of offices would you admit natives?—I would admit them to a very high description of offices in the revenue and judicial line, except that they should be always under the controul, I conceive, of Europeans.

2731. Do you conceive that the admission of them to that description of offices would tend to improve their physical condition as well as their moral character?—I conceive it would very much tend to improve their moral character, which is at present very much degraded, as they are excluded from all the higher offices of every description, and confined to the most subordinate situations.

2732. Is silk one of the articles cultivated in those parts of India with which you are best acquainted?—No, it is not.

30 Mar. 1830.

Wm. Chaplin, Esq.

2733. The soil is not suited to the mulberry?—I have seen experiments made on a small scale. I think it might answer. But the mulberry plant is not in any great abundance.

2734. Has any attempt been made to cultivate the coffee plant?—I have not seen it in the districts I have been acquainted with. I know that it has been cultivated in some parts of the Mysore districts, and particularly about Bangalore, and that the coffee is very good.

2735. Is it a very expensive species of cultivation?—I have never had an opportunity of seeing its cultivation myself.

2736. Do you conceive it would come into consumption in England if the duty upon it was the same as on West-India coffee; it being now ninepence, when the other is sixpence?—I have never had an opportunity of comparing the two. The Bangalore coffee, I know, is very good, for I have drank it; but I have not had an opportunity of comparing it with the West-India coffee. It is not so good as the Mocha coffee, I know.

2737. Is there any legal obstacle to the export of sugar from the East Indies to the north of Europe or the Mediterranean?—I am not aware that there is.

2738. You do not know whether any attempts have ever been made to find a market in those parts of the world?—It has been produced in so small a quantity, I can hardly conceive that any attempt has been made.

2739. If you think that an equalization of duty in England would be an inducement to cultivate sugar for the English market, would not the existence of an equally open market in the other parts of Europe offer the same inducement?—I should think it would. I should presume that the sugar of India might be produced probably at a less expence than the West-India sugar, labour being so much cheaper in India.

2740. If that is the case, how does it happen that East-India sugar does not find its way direct to those markets that are open to them equally with West-India sugar?—There is very little commercial intercourse, I believe, from the ports of India to Europe through Arabia or Persia. I think there is very little demand for sugar in those countries.

2741. The question refers to the North of Europe and the Mediterranean particularly?—I cannot speak from any knowledge of the subject myself.

2742. You stated that the consumption of English manufactured cottons was increased in consequence of their superior cheapness; what class of persons are the principal consumers of those goods?—The higher classes of the people. The lower classes, I think, the Ryots for instance, still use very much their own coarse manufactures.

2743. Were the finer descriptions of cottons the larger or

30 Mar. 1830.

Wm Chaplin, Esq.

the smaller proportion of the cotton manufacture made in India?—I presume that the coarser description was the larger proportion made in India, though not the most valuable.

2744. So that the native workmen who have been thrown out of employment by the introduction of English cottons were the proportion occupied in making the smallest amount?—I should think so. The manufacture of the finer silks, called kincobs, and other cloths of that sort, has very much diminished. The demand had very much decreased.

2745. Are any English silks imported into India used there? —I believe they are, to a considerable extent. I have often seen natives in quilted silk jackets which I believe to be of English manufacture.

2746. Is that of recent introduction?—I conceive so; but I could not always distinguish between English silks and China silks, or the silks of Bengal; but I know it was the case to some extent, and that the silk manufactures of Boorhanpoor and Mongapytun have very much diminished.

2747. You have said that lightening the assessment would be, in your opinion, the best way of improving the condition of the country; how does that apply to the assessment you have mentioned established by Sir Thomas Munro, the proportion taken, supposing the gross produce one hundred, being forty-five to accrue to government?—That is the original assessment of Sir Thomas Munro I allude to; but he recommended a still further reduction, which reduction has since taken place. Assuming the total gross produce to be one hundred, and the government assessment to be forty-five, twenty-five per cent. was deducted, leaving the government share to be levied upon the ryots thirty-three and three quarters only.*

2748. That abatement has been since carried into effect in the Ceded Districts?—Yes, it has.

2749. You have stated your opinion to be, that natives might be employed in some of the high offices both of the Revenue and Judicial departments, provided always they should be under the controul of Europeans; is it your notion to confine the employment of Europeans to the highest offices of all, or that similar offices should be filled indifferently by natives and Europeans?—For instance, I would say that the natives might be advantageously employed at present where our subordinate Collectors and our Assistant Judges are employed, on a

* Gross produce................	100
Government Assessment by Survey	45
Deduct Twenty-five per cent.	$11\frac{1}{4}$
Government Share proposed	$33\frac{3}{4}$

30 Mar. 1830.

Wm. Chaplin, Esq.

salary varying from two to four hundred pagodas per month (from £80 to £160 a month). I do not mean to say that that should take place immediately, but that they might gradually, as men of talent were discovered, be so employed to great advantage. I should not recommend their employment in the highest offices; for I think the policy of our government would always require that the highest offices should be filled by Europeans. At present, the scale of the salaries of our superior native officers in our old provinces, I think, seldom exceeds 200 rupees a month. The highest salary, almost, that a native gets in our old provinces, does not exceed £500 a year, and that very rarely.

2750. If a native occupied such a situation as that of Assistant Collector, would he not be satisfied with a much smaller salary than that given to an European?—Yes, I have no doubt he would.

2751. Do you think that a native, well educated, could be placed in the situation of Zillah Judge?—I have no doubt the office would be very often conducted with great efficiency by a native; and there is no reason why it should not be so, if he was sufficiently well paid to keep him honest.

2752. Would not the administration of the Revenue and Judicial departments by means of the natives be not only as efficient, but more satisfactory to the people, and much cheaper to the government, than that of Europeans?—I have no doubt it would be much more satisfactory to the people; and I conceive the efficiency of the administration would be improved by the admission of the natives to those employments.

2753. If it was much cheaper to government, would not that lead to a reduction of the salaries of the officers, which would make their integrity much more questionable?—It would be such a very considerable improvement, with reference to their present state, that I conceive we should rather secure their honesty, and a faithful and impartial discharge of their duties.

2754. What would you consider a sufficient salary of an European Sub-collector?—I consider their present allowances are sufficient. A Sub-collector, I think, receives about 400 pagodas a month.

2755. What should you consider a sufficient salary to a native if so employed?—I have no doubt that a native would be found to conduct the duties of the office probably for half or two-thirds of the amount.

2756. By the natives, you mean the natives you found in the interior of the country?—Yes.

2757. Not those who are found in the presidencies?—No. I should be very far from recommending the employment of those at the presidencies.

30 Mar. 1830.

Wm. Chaplin, Esq.

2758. Supposing natives to be employed in the same manner they are now, do you think it most expedient, more particularly for judicial offices, to select natives in the country in which they now reside, or to transfer them from one part of the country to another?—I should prefer employing them in the country where they reside.

2759. Have not the principal frauds which have been detected in the collection of the revenue been detected in the natives?—Yes. In the districts where the management has not been efficient, very considerable frauds have been detected in the natives; and those must happen under any government.

2760. In the natives belonging to the country?—The greatest frauds I recollect were in Coimbatore; but I do not recollect whether Casee Chitty was a native of that part of the country; I do not think he was a native of Madras.

2761. Have not those cases in which the natives have been corrupt been cases in which they received very small salaries, and had been acting nominally under the superintendence of a gentleman who had not done his duty?—I think in the particular case alluded to there must have been a considerable want of vigilance in the Collector, or abuses to that extent never could have taken place; and as to the salary of the officer alluded to, I do not recollect what was the amount, but I think it extremely probable it was on a lower scale than salaries usually are in our new provinces.

2762. Do you recollect the amount of his embezzlement?—No, I do not; but I know it was large.

2763. Is it not practically the case now, that where a Collector is not vigilant the real duty of his situation is performed by irresponsible and ill-paid native servants?—Yes, that is very much the case.

2764. How is justice administered in the independent jaghires you mentioned?—It is administered very much according to the discretionary authority of the jaghiredars themselves, but a good deal through the agency of punchayets.

2765. Did the people appear to be satisfied with that administration of justice?—I think, generally, they were. These jaghires are in a very flourishing condition; their villages extremely populous; their inhabitants were well clothed, and in many respects better off than our own.

2766. Do you think the people were better satisfied with native officers than with European?—I am not sure that I have stated that generally to be the case, but I know it is so in many instances. I have no doubt the natives look up to our courts for an impartial administration of justice; that they generally conceive that the administration of justice in our courts is impartial, and free from that corruption which their own system is more liable to.

30 Mar. 1830.

Wm. Chaplin, Esq.

2767. In making the establishment in the Deccan you were employed in, did you make use of the punchayets?—Yes, we did, in the early stages.

2768. To a considerable extent?—Yes. In some parts of the Deccan they were used with great success, particularly in the southern Mahratta country. Under the administration of the principal Collector, the late Mr. Thackeray, the punchayet system succeeded much better than it has done in other parts, either in our own provinces or any part of the Deccan.

2769. Were they used in any place where they came under your own observation?—Yes; they were used at Poonah.

2770. Were you satisfied with the decisions?—In general I think the decisions were very good; they gave satisfaction to the parties; but there were considerable delays and difficulties in getting the members of large towns to assemble. I do not think it is so well calculated for large towns as for the country.

2771. Do not you think they have great advantages over Europeans in the examinations?—Yes; their knowledge of the language, and their knowledge of the usages and the habits of the people, give them great advantages over European Judges.

2772. Do you think that Europeans can ever acquire a sufficient knowledge of the language, and the usages and habits of the people, to enable them to examine to the same advantage?—I apprehend not, for there is very little social intercourse between natives and Europeans, and there never can be.

2773. Is there less social intercourse between the Europeans and the natives now than there used to be?—There is very little; it is confined very much to visits of ceremony.

2774. What is the manner and conduct of the servants of the Company towards the natives?—In the Deccan the necessity of being extremely courteous and civil to the native gentry was inculcated on all the European authorities; and I think that great satisfaction was given to the native gentry in consequence.

2775. How far do you think it would be possible to convert a punchayet into a jury, and to apply it generally in the administration of justice as part of the system?—The punchayet has very rarely been applied at all in criminal cases in India; it is confined chiefly to civil cases; and I should doubt the advantage of a trial by jury in criminal cases, on account of the intermixture of castes, which would be a great obstacle to its success.

2776. Do you think it might be applied in civil cases?—I think the punchayet should be resorted to in civil cases as much as possible, for it is the original system the natives have been accustomed to.

2777. Are you aware it has been applied both in civil and criminal cases in the Island of Ceylon?—I have heard it; but the

30 Mar. 1830.

Wm. Chaplin, Esq.

state of the natives of Ceylon being I believe extremely different, the same rule might not apply in both cases.

2778. Was there not a minute directing the attention of the authorities of Madras to this subject?—I think there was; but many years having elapsed since I was employed under the Madras government, I cannot speak with certainty.

2779. You do not know why it was not carried into effect?—No. I think it was partially tried, but I do not know whether it succeeded or not.

2780. Do you think that an increased employment of Europeans in the improvement and cultivation of land would tend to create employments that do not now exist in India?—I think that Europeans could never themselves be employed in the cultivation of land; the climate of the country would never admit of it. They might be employed generally in the superintendence of land; but European labour could never be employed in agriculture.

2781. If they were unable themselves to superintend the cultivation of land, and were to have reason to think it would be a beneficial employment of capital, would not that of itself afford a considerable increase of employment to the native population?—I have already said that the employment of British skill and capital in the cultivation of sugar and indigo, and other articles, might be productive, in my opinion, of great advantage.

2782. Do you not therefore think that the hopes of employment and preferment of that kind which would open themselves to the native inhabitants would have a beneficial influence on them?—I have no doubt it would have a beneficial influence in giving occupation, and in some degree improving the resources of the country.

2783. Would it not have a tendency to create in them an increased sense of the advantages of living under the English government?—I am not quite sure that the admixture of Europeans, of the middling or lower orders, with the natives, would have that effect. I should be very much afraid that the respect and reverence the natives now have for the English would rather be diminished than increased by mixing with Europeans of the middling or lower classes.

2784. Do you not think that the absence of such employments, and of the hope of improving their situation, rather creates in them an unfavourable feeling towards the English government?—I have no doubt that their exclusion from the higher offices must have a very considerable tendency towards debasing the moral character of the natives generally, and on that account it is that I recommend their being admitted to a larger share of the government of the country.

2785. Do you not think that every species of improvement which could take place, and in which they would be allowed to

30 Mar. 1830.

Wm. Chaplin, Esq.

have a share, would increase their feeling of respect for the English government?—Rather a contrary effect, if Europeans were admitted in any great numbers into the interior of the country; I mean those of the middling or lower orders. I am perfectly sure that native prejudices would be outraged if the lower classes of Europeans came much into contact with the natives, and that it would produce hostility to our government, and disaffection generally.

2786. Would that disaffection be still more speedily extended through the native population if persons of half-blood were placed in the situations to which it is now proposed to elevate the natives themselves?—Yes: I think it would be extremely bad policy to admit persons of half-blood to higher situations, for the native gentry of the country would look upon them with no respect; they look down upon them very much.

2787. Do you think it possible to manage the interior government of a province such as the Deccan by means of natives, allowing a recourse to be had to that province by Europeans to a limited degree?—Certainly not. I should conceive it would be totally impossible, under the present system of government. A free unrestricted resort of Europeans would at no distant period lead to the total overthrow of our government, in my opinion.

2788. Even supposing those Europeans were as they are at present, with respect to their residence, under the immediate authority of the Company's government?—I conceive that if an inundation of Europeans of the lower orders were admitted into the interior, the government could no longer have that controul over them.

2789. Do you know an instance of any European of capital being desirous of settling himself in the interior?—I consider the great majority of those who resort to India as possessed of no capital: they borrow money from the agency houses at the presidencies, and then resort to the interior; but I believe they have very seldom any capital of their own.

2790. Do you not think that the security of the English government in India would be likely to be rather promoted than otherwise by the native inhabitants enjoying increased advantages?—Yes. I have already stated that by giving them a share of the advantages of their own country, we shall very considerably promote their interests and secure their attachment; but of course a good deal will depend on the way in which it is done.

2791. Do you not think that increased employment of capital would greatly improve the land, and would be considered by them as holding out very great advantages?—No doubt it would. It was on that principle I recommended a reduction of the amount of the assessment of the land.

30 Mar. 1830.

Wm. Chaplin, Esq.

2792. Do you think that the settlement of Europeans in the interior would produce the advantages specified in the two previous questions?—I think if it was limited, that the extension of the system of licences might produce advantage in that respect; but the entire controul of government must always be preserved over such Europeans, otherwise they will bring the government into constant collision with the courts of judicature at the presidencies, and that collision tends not only to degrade the government but very much to lower the dignity of the court itself.

2793. Do not you think that any advantages which might be derived by the poorer class of natives from the establishment of Europeans in the country would be more than counterbalanced by the degradation of the higher orders by their exclusion from those situations to which they may now aspire?—If Europeans were allowed unrestrictedly to settle in the interior, I have no doubt it would lead ultimately to the stripping the natives of their land, depriving them of every office or employment, however subordinate, and ultimately reduce them to the most degraded state of a conquered people.

2794. Are the half-castes numerous in the part of India with which you are acquainted?—There are very few in the interior. Those few are employed as mere copyists. They are chiefly to be found at the presidencies.

2795. Does not the unfavourable opinion formed of them by the natives in some degree result from the depressed condition in which they are placed by the Regulations of the East-India Company?—No; I think it generally arises from the prejudices the natives entertain, from the circumstance that they are generally the offspring of low-caste native women; and as many of them are reduced, by the continued admixture of native blood, to a colour more black than any of the natives themselves, the natives regard them with no respect.

2796. They are not allowed to enter into the higher employments, civil or military?—I do not know that there is any prohibition; but they are not usually employed in any offices higher than that of clerks or copyists. Some few are employed in the survey.

2797. You state that some of the half-castes become more black than the natives; is it the fact that the higher castes are not so black?—Some of the Brahmins are nearly as fair as Europeans.

2798. Is that considered a presumption that they are of high caste?—No; I do not know that that raises such a presumption, as there are, I know, various shades of colour in the natives in the different provinces.

2799. Are not the natives peculiarly tenacious of their village institutions?—Yes.

30 Mar. 1830.

Wm. Chaplin, Esq.

2800. Do you not think that any thing which might tend to bring them into jeopardy would be calculated to create a very dangerous sensation in the country?—Yes, I have no doubt it would; any interference with the village institutions would create a general disaffection.

2801. Do you not think an unrestricted establishment of the lowest order of Europeans in the country would then be calculated to have that effect?—I have no doubt of that.

2802. You mentioned that you thought the natives might be trusted with the situation of a Zillah Judge; do you think the superintendence exercised over a Zillah Judge would be sufficient in case he was intrusted with that situation?—I should prefer confining them at present to offices subordinate to that of a Zillah Judge; the Assistant Judge, or Registrar, or the subordinate Collectorship in the revenue line. I should not think it politic at once to raise them to the highest offices.

2803. Are not the witnesses examined by the Registrar?—They are.

2804. Would it not be advantageous to have the examination conducted by natives?—The examinations are frequently referred to the native officers; but I have not been much employed in the Judicial department, either as Judge or Assistant Judge, therefore I cannot speak decidedly.

2805. Would not the quality of sugar raised in India be very much improved, as well as the collection increased, by the employment of machinery in the manufacture of it?—There is great room for improvement. I have no doubt it would.

2806. Is not that machinery much more expensive than that required in the case of indigo?—I am not aware of that. The process of making sugar, according to the native mode, is extremely simple indeed. I have never seen how it is manufactured by European machinery.

2807. Do you think that the limited demand there is now as to East-India sugar is occasioned by the quality of it not being so good as it would be if foreign machinery was used in the manufacture of it?—I think that is extremely probable. I know there is great room for improvement.

2808. Is there any silk grown in the Deccan?—No, there is not. I have seen it tried as an experiment on a small scale; but there was not a sufficient quantity of the mulberry-leaf to extend it.

2809. Is it capable of improvement, in your opinion?—I think it is.

2810. Are you sufficiently acquainted with it to know whether it requires great capital?—I am not.

2811. You say that the quality of the coffee is very inferior to that of Mocha coffee?—I think it is.

2812. Is it, in your opinion, very much like the Bourbon or Mauritius coffee?—I apprehend it is very much of that quality.

2813. Is the cultivation of sugar perfectly free?—Yes.

2814. What description of labourers are employed?—The description of labourers employed in other modes of agriculture.

2815. Are the wages higher for that?—No, I believe not. The assessment of a sugar-cane plantation, previous to a survey, is generally higher than that of other lands.

2816. Is the labour required of the cultivator more severe?—I believe the sugar-cane requires a year or two before it comes to any thing like its growth, therefore the expence of cultivating it is much greater; but the labour, I apprehend, not more severe.

2817. Is there any particular season of the year at which hard labour is required?—Not any degree of hard labour, certainly.

2818. Does slavery exist in any degree in the Deccan?—A modified degree of slavery exists in the Deccan, principally confined to females. There are very few Mahratta families who have not female slaves in their houses; but it is a domestic and mitigated sort of slavery.

2819. Not agricultural?—No, not at all, I believe.

2820. Is the same salary now paid to the Collectors in the Deccan as was paid to them when they exercised judicial functions?—I am not aware that any reduction has taken place; I believe not.

2821. They are all under the presidency of Bombay?—Yes.

2822. Can the cultivation of sugar be carried on without irrigation?—No.

2823. Where there is no natural supply of water, it is necessary to incur expence in the construction of tanks?—Yes, or wells, or aqueducts for conducting streams from rivers.

2824. Under such circumstances considerable employment of capital is necessary?—The machinery is extremely simple; it is confined, with respect to the wells, to a couple of bullocks and a bucket, which draw up the water.

The witness is directed to withdraw.

Ordered, That this Committee be adjourned till Tomorrow, one o'clock.

LONDON:
Printed by J. L. Cox, Great Queen Street.

PART VIII.

[31st MARCH to 29th APRIL 1830.]

MINUTES OF EVIDENCE

TAKEN BEFORE

THE SELECT COMMITTEE

OF

THE HOUSE OF LORDS,

APPOINTED TO ENQUIRE INTO

THE PRESENT STATE OF THE AFFAIRS

OF

THE EAST-INDIA COMPANY,

AND INTO THE

TRADE BETWEEN GREAT BRITAIN, THE EAST-INDIES, AND CHINA,

AND TO REPORT TO THE HOUSE

LONDON:

PRINTED FOR PARBURY, ALLEN, AND CO., LEADENHALL STREET; AND J. M. RICHARDSON, CORNHILL.

LONDON
Printed by J. L. Cox, Great Queen Street

MINUTES OF EVIDENCE.

Die Mercurii, 31° *Martii* 1830.

The LORD PRESIDENT in the Chair.

JOHN WILLIAM RICKETTS, Esq. is called in, and examined as follows:— 31 Mar. 1830.

J. W. Ricketts, Esq.

2825. You are a native of Calcutta?—I am.

2826. You were the bearer of a petition from a certain portion of the inhabitants of Calcutta and the Presidency of Fort William, which had been presented to the House of Lords?—I was.

2827. How is that petition signed; by what number?—Between six and seven hundred.

2828. Are they mostly persons immediately descended from European fathers and native mothers, or are they the offspring of intermarriages?—They are also the offspring of intermarriages.

2829. Do you know in what proportion?—No, I do not.

2830. Can you state the grievances which are detailed in that petition? The first grievance appears to be a complaint with respect to their being destitute of any rule of civil law; will you explain how that operates upon the petitioners?—We are not recognized as British subjects by the Supreme Court of Calcutta, if residing in the Mofussil.

2831. That is, without the jurisdiction of the Supreme Court?—Just so; which throws us upon the Mofussil courts, the proceedings of which are regulated by the Mohamedan law. As Christians, we cannot avail ourselves of the Mohamedan civil law, though we are subject to the criminal code. The Mohamedan civil code does not apply to us as Christians, though we are subject to the lash of the criminal law.

2832. It does not apply to you as regards marriages or succession to property?—The Mohamedan code is expressly for Mohamedans. It provides for the rights and interests of Mohamedans.

2833. Therefore, in all that regards marriages and succession to property, you are without any rule by which you can regulate your conduct?—Without any definite rule of civil law.

2834. You have said that in criminal cases you are subject to the code of Mohamedan law?—We are.

2835. Is that attended with considerable hardship and severity; for instance, the infliction of punishment in criminal cases?—I am not aware of its being unnecessarily severe, so far as my personal knowledge goes; though its provisions are barbarous as applicable to a Christian population.

31 Mar. 1830.

J. W. Ricketts, Esq.

2836. Has there been no mitigation of the severity of part of that code?—The code is modified by the Company's Regulations.

2837. Is there any appeal from that tribunal?—To the Sudder Dewanny Adawlut in Calcutta, but not to the Supreme Court. The question was tried in the year 1821; and it was the opinion of the Judges that we could not claim a right of appeal to the Supreme Court.

2838. Does the tribunal of Sudder Adawlut possess the power of increasing the punishment?—So I understand.

2839. Is that the case without fresh evidence being adduced?—Yes.

2840. In that petition there is a complaint that from all the superior and covenanted offices, as well as all the sworn offices of the marine, the petitioners have been excluded by the positive regulation of the Company?—Either by the positive Regulation, or by the established usage of the service.

2841. Does the preamble also provide that a person so appointed shall not be the son of a native Indian?—It does, with regard to appointments in the regular service of the Company, and in the military appointments of the Company.

2842. Does that apply after intermarriage?—It used to do; but I believe there has been some modification of that rule within the last two years.

2843. That modification is by regulation?—There is no law upon the subject; it is by orders of the Court of Directors.

2844. Do you know of instances in which that modification has been acted upon, in which persons not immediately descended from native mothers have been appointed to situations under the Company?—I know certain instances in which the appointment was refused on that ground on former occasions.

2845. Since the year 1827, has there been no alteration in that respect in the Regulations of the Company?—I see that the phraseology of the prohibition is altered within the last two years or so.

2846. It is restricted to the immediate descendants of the mother, is it not?—I think it is. There has been no formal regulation or notification on the subject; but I gather the fact from the phrase employed, which has been modified of late.

2847. With regard to the subordinate and inferior offices, which do not come under the head of superior and covenanted offices, is there any exclusion of the petitioners?—There is a certain class of situations which are confined by usage to the natives of the country, in which we have no share or part whatever. It would be considered irregular to appoint us to these situations.

31 Mar. 1830.

J. W. Ricketts, Esq.

2848. From their being filled by native officers?—Yes.

2849. Does that apply to offices in the judicial department, such as Munsiffs?—Yes.

2850. Are they appointed to act as pleaders in any of the courts?—No; that is confined to natives.

2851. With regard to the military department, how are they situated?—They can hold no commission in the Company's or King's service.

2852. Are they excluded from being non-commissioned officers?—They are employed as drummers and fifers, and so forth.

2853. Can they advance to the rank of corporal?—I am not aware of any instance in which they have been so employed.

2854. Is there an order of the Commander-in-chief in force, which prevents their holding any commissions in the Indo-British army?—There was an order passed by the Commander-in-chief in the year 1808 to that effect.

2855. That, you conceive, is still in force?—Yes; practically so; it has never been repealed.

2856. Therefore they can hold no commission either in the King's or the Company's army?—No, certainly not.

2857. Are there no instances of any deviation from that rule?—There were some of our class who were admitted, both into the civil and military service, prior to the prohibition; the Quartermaster-general of the army, for instance, who is an East Indian, but he was admitted prior to the year 1791; and there is Mr. Achmuty, of the civil service, who was also admitted prior to the prohibitory Regulation.

2858. Does Colonel Skinner hold a commission in the Company's service?—He holds a local rank in the Company's service.

2859. Is he descended from a native mother?—He is.

2860. Colonel Skinner is an officer who has served with great distinction?—Yes; he has signalized himself on many occasions.

2861. Are you aware that there was any disinclination to serve under Colonel Skinner, on the part of the natives of India?—I am not aware of such a thing.

2862. You never heard of any objection being raised against him on account of his mother having lost caste?—No, I am not aware of that.

2863. There is also a complaint with regard to non-employment of the persons of your class by native powers; that there is a restriction upon your employment by the native powers?—Yes.

31 Mar. 1830.

J. W. Ricketts, Esq.

2864. Do you know any instance of any persons of your class being employed by native powers?—There were many employed by the Mahratta states; and I believe there are some still in the service of some of the native states.

2865. Do you refer to the independent Mahratta states over which the Company have no controul?—Yes.

2866. In those states over which the Company has a controul are persons of your class employed without obtaining permission from the government?—It is generally understood that they cannot be so employed without the permission of government.

2867. Has that permission been refused, to your knowledge, when applied for?—I am not aware of any particular instance in which it has been refused.

2868. If that permission be granted, it is always liable to be recalled, is it not?—Yes; should any disturbance arise, or any war break out, they are required to return to the Company's territories. The Mahratta officers who were employed in the years 1801 and 1802 were invited back to the Company's territories upon the promise of being pensioned. There were some who availed themselves of the pension, and came to the Company's territories; there were others who were barbarously murdered by the native princes the moment they came to the knowledge of the circumstances.

2869. The treaties with the native powers only prevent Europeans being employed; therefore under what head do you come, as you are not recognized as Europeans, in the interior?—We are sometimes recognized as Europeans, and sometimes as natives, as it serves the purposes of the government; there is no precise character affixed to us in that respect.

2870. You are generally recognized as natives, except within the jurisdiction of the Supreme Court?—Yes; those officers who were employed by the Mahratta states were threatened to be dealt with as traitors if they did not return to the Company's territories on the announcement of the order.

2871. What Mahratta states were those?—Scindiah and Holkar.

2872. Are there any institutions in Calcutta for the education of the children of persons of your class?—There are both public and private schools.

2183. Is the expence of those schools defrayed by yourselves, or do you receive any assistance from government?—We have never received any assistance from government in any shape whatever.

2874. There are funds applicable by Act of Parliament for the education of the natives?—There are; and we are not included in that grant. We have never received any assistance from government in the education of our offspring.

31 Mar. 1830.

J. W. Ricketts, Esq.

2875. Therefore the expence is entirely defrayed by yourselves?—Entirely so.

2876. Is there any other grievance which you wish to state to the Committee?—With regard to our not being employed by the native states, I know of some instances where a penalty bond has been taken from persons going out from this country to India, under two securities, that they should not enter into the service of the native states. East Indians who have come to England for education, when they have applied for permission to return to their native country, have been allowed to do so, but under a penalty bond that they should not enter into the service of any native state.

2877. Can you state the number of persons of your class in the province of Bengal?—I should think that the number would not be underrated if I estimated it at about 20,000, more or less, in Calcutta and all the provinces. There was a Police Committee Report made in the year 1822; and the Christian population in Calcutta was estimated at 13,138, of which there were 2,254 Europeans; consequently we are included in the remainder, that is, about 10,884. The number must have increased considerably since 1822.

2878. The number increases in proportion to the number of Europeans employed?—We outnumber the Europeans very considerably, certainly.

2879. More Europeans being employed in consequence of the increase of territory, your numbers are upon the increase?—Yes: and from the offspring of intermarriages.

2880. You stated that in the provinces you, being Christians, were subject to the Mohamedan criminal law; is not that law much altered and modified by the Company's regulations?—Yes, it is considerably modified.

2881. Are not the native-born subjects of the King subject to the same law for any offence less than felony, in the provinces?—I am not aware of the extent to which they are. They are not understood, certainly, to be subject to the criminal law of the Mofussil courts.

2882. Are they not liable to be punished for offences less than felony by the Company's magistrates in the provinces?—I am not aware of that circumstance. I have not resided in the interior to know the fact.

2883. Will you turn to the Act of Parliament of the 53d Geo. III., cap. 155, and state what enactment is contained in that clause with regard to criminal offences committed by British subjects in the provinces?—By this it appears they are subject to be punished for any offence not being felony by the magistrates of the Zillah courts. I do not know that that has ever been put into practice, which made me doubt the fact.

31 Mar. 1830.

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J. W. Ricketts, Esq.

2884. You have stated that although subjected to the Mahomedan criminal law, you are not permitted to avail yourselves of the Mahomedan civil law, being Christians; will you state under what civil law you consider yourself to be placed in the province?—What I meant to say was this; that, as Christians, the Mohamedan civil law does not apply to us, so as to render it desirable for us to avail ourselves of it. It is exclusively applicable to Mohamedans; it applies to their case, not to the case of Christians. It is a singular anomaly, that a Christian subject under the British government should be subject to the Mohamedan civil code. The Mohamedan civil code goes entirely upon the principles of the religion professed; it is based entirely upon the Koran.

2885. Are you acquainted with Regulation III. of the year 1793, by which all natives and other persons not British subjects are amenable to the jurisdiction of the zillah and city courts, and those courts are empowered to take cognizance of all suits and complaints respecting the succession or right to real or personal property, lands, rents, revenues, debts, accounts, contracts, partnerships, marriage, caste, claims to damages for injuries, and generally all suits and complaints of a civil nature. By the same Regulation, in cases coming within the jurisdiction of those courts for which no specific rule may exist, the Judges are to act according to justice and equity, and good conscience. By the same Regulation, in suits regarding succession, inheritance, marriage, and caste, and all religious usages and institutions, the Mohamedan laws with respect to Mohamedans, and the Hindoo laws with regard to Hindoos, are to be considered as the general laws by which the Judges are to form their decisions. Do you apprehend that under that Regulation any Christian engaged in a civil suit would be obliged to have that suit determined according to the law which was solely applicable to a Mohamedan?—I certainly think so.

2886. What civil code is in use in the provinces as regards Hindoos?—If the party be a Hindoo, there is the Hindoo code for him; if the party be a Mohamedan, there is the Mohamedan code for him; but there is no express provision made for Christians.

2887. Supposing a person of the half-blood to be the son of a Hindoo mother, do you apprehend that that person would be considered as a Mohamedan, and that his civil suit would be tried according to the Mohamedan law?—I think that they are generally taken for Mohamedans, and dealt with accordingly.

2888. Do you not think that under the Regulation of which the substance has been stated to you, the magistrate would have a power of acting in such a case according to justice, equity, and good conscience?—It may be so; but that is a very dubious principle; and it would be left entirely to the magistrate's own

sense of justice, or his own feelings on the subject. The magistrate may certainly act upon the new principle with regard to Christians, if so inclined.

31 Mar. 1830.

J. W. Ricketts, Esq.

2889. Are you aware of any practical grievance that has been sustained by persons of half-blood, in consequence of the present state of the law of the provinces in regard to civil suits?—I have not resided in the Mofussil, and therefore my acquaintance with the practice of those courts is very limited; but what we complain of is the principle of the thing, more than the practice; the principle is odious.

2890. Will you state what description of offices are now held by persons of the half-blood?—They are principally employed in subordinate capacities in the public offices of government.

2891. They are employed very extensively as writers, are they not?—They are.

2892. And as clerks?—Yes.

2893. As clerks in merchants' houses?—Yes.

2894. As clerks in the customs and the revenue department?—Yes.

2895. And in the judicial department?—They are generally employed as clerks in the different departments.

2896. In the military department?—As clerks in all the different departments of government.

2897. Can you state whether they are employed in the police of the country?—They are employed as clerks in the police department.

2898. Are they employed in the irregular corps?—They have been so employed; but the corps were disbanded, and they were thrown out of employment.

2899. As long as they existed they were employed in the irregular corps?—For a time they were; during the Nepaul war; that is, as long as the exigencies of the government required their services.

2900. Can you state the highest salaries received in any case by a person of half-blood?—They have received salaries as high as four and five hundred rupees a month.

2901. That is about £600 a year, is it not?—It is. These are very rare cases indeed; there are not many such cases.

2902. Are there many persons of half-blood who, in your opinion, are qualified to hold high situations, by their education?—Certainly. I say so with the most perfect confidence.

2903. Can you give the Committee any idea of the number of persons whom you consider qualified to hold higher situations than those now filled by persons of that class?—I dare say we might collect about 500 persons of that description, calculated to hold situations of trust and responsibility.

31 Mar. 1830.

J. W. Ricketts, Esq.

2904. How are those persons now employed?—They are employed, as I have before stated, as clerks in different public and private offices.

2905. Your opinion is, that a well-educated clerk is fit for a much higher situation?—I mean to state that their talents are not brought into proper exercise.

2906. You have stated the number of persons so employed as clerks to extend to 500?—I should think there must be about 1,000 or more of them, altogether.

2907. Do you mean in Calcutta alone?—Yes, in Calcutta alone; in the different public and private offices.

2908. The total number of persons of the half-blood you stated at 20,000?—Yes.

2909. Can you state the number in public offices?—There may be five or six hundred.

2910. Are they extensively engaged in trade?—Some of them are.

2911. Are they engaged in the maritime trade of the country?—Yes, they are.

2912. To any great extent?—To a pretty considerable extent, as a beginning.

2913. Is any large portion of the trade between Calcutta and China conducted by persons of the half-blood?—Not a considerable portion.

2914. Are there in any cases officers and captains of ships engaged in that trade?—Some few of them are.

2915. Are there any wealthy mercantile houses in Calcutta?—There are some.

2916. Can you state the amount of the property of any house of persons of the half-blood?—Baretto's house was considered one of the wealthiest houses in India; besides which there are Lackersteen's, Brightman's, and Bruce and Allan's houses.

2917. Persons of half-blood, as the law now stands, and under the Regulations of the Company, can purchase land in any part of India, can they not?—Yes, they can; but under all the disadvantages of the case, arising from the imperfect state of the law, and the corrupt administration of justice in the Mofussil courts.

2918. And are not liable to be sent out of the country?—No, certainly not.

2919. Therefore they have those advantages which are not possessed by Europeans?—Yes, such as they are.

2920. What establishments are there for the education of persons in your condition, in Calcutta?—There is the Military Orphan School, which is supported by the subscriptions of the

31 Mar. 1830.

J. W. Ricketts, Esq.

army; and there is the Parental Academic Institution, and the Calcutta Grammar School.

2921. How many persons may be educated in those three establishments?—There must be about 500 or 600 in the Military Orphan School (the Upper and Lower Orphan School); perhaps 800, including both sexes. There are about 130 or 140 boys in the Parental Academic Institution, and about forty or fifty in the grammar school; and there are private schools besides.

2922. How high is education carried in those three establishments you have mentioned; to what age do the children continue there?—The age of seventeen or eighteen, in the boys' school.

2923. The boys and girls are not together till that age?—They are not in the same building

2924. Have they any means of education after the age of seventeen?—They have no collegiate education after that.

2925. There are no means of collegiate education in Calcutta?—No, there are not; unless it is the Bishop's College, which is confined to missionary purposes. The Parental Academic Institution has done a great deal in that way; it has succeeded to a happy extent in raising the tone of education in the country.

2926. Some persons of half-blood being educated as you have mentioned, are fit for higher situations than those they can now hold; there are others, are there not, who have no education, and who are in a state of great destitution?—Yes, there are others who are educated in the Free School and in the Benevolent Institution, and other charitable institutions.

2927. In that number of 20,000 you have mentioned, do you include the children of common soldiers?—I include the whole number.

2928. Can you state, with any degree of accurary, the proportion which persons in that state of destitution, the sons of common soldiers and persons of very low condition, bear to the more educated class of which you have spoken?—They must form the great majority.

2929. What should you suppose to be the number of the educated persons of whom you have spoken?—I should think there must be 1,500.

2930. Of whom 1,000 are already employed; and of that 1,000, 500 or 600 in government offices?—Yes.

2931. Are those who are the children of common soldiers in all cases Christians?—They are brought up as Christians.

2932. By whom are they brought up?—The children of Eu-

31 Mar. 1830. ropean soldiers by native mothers are brought up at the Lower Orphan School.

J. W. Ricketts, Esq.

2933. If born in the country, what is done?—They are sent to the Lower Orphan School.

2934. How are they disposed of when they grow up?—They are sent out as drummers and fifers, and so forth, and apprenticed to tradesmen.

2935. Are there many of the half-blood who are not Christians?—I am not aware of any; there may be some solitary instances. I understand, but I do not know how far it is true, that there are some Europeans residing in the interior, who, seeing the disadvantages under which their offspring labour, have preferred bringing them up as Mohamedans. I have understood that there are some cases of that kind in the interior.

2936. You are not able to give any general idea of the situations which have been held by the fathers of those persons, to the number of 1,500, of whom you have spoken as educated?—They have been in the civil and military service of the Company, and in the King's army, merchants, tradesmen, and others.

2937. Are persons of that class, residing in the interior, entitled to the protection of the Habeas Corpus Act?—No, they are not.

2938. They are treated in that respect as native subjects, even though they may have purchased land in the interior?—Entirely as natives.

2939. They are liable to imprisonment at the discretion of the local magistrate?—They are.

2940. In the petition which has been presented it is stated, that by an enactment of the local government they have, as belonging to the above-mentioned class, that is, the class of Hindoos and Mohamedans, been deprived, as a body, of the protection of the Act of Habeas Corpus; and the Regulation to which reference is made in the margin is Regulation III. of 1818. Is not that a regulation for the confinement of state prisoners?—Yes.

2941. The natives are not entitled to the protection of that Act?—No.

2942. Therefore the half-castes stand in the same situation as natives in that respect?—Yes.

2943. Have you observed in the persons of the half-blood, who are in poor circumstances, a strong desire to improve their situation in general?—Yes, there is a strong desire of that kind.

2944. Do you think they are under the influence of a stronger feeling in that respect than the poorer class of Hindoos and

Mohamedans in general?—Yes; from the nature of the education they receive, and the principles in which they are brought up. This gives a different tone to the mind. 31 Mar. 1830. *J. W. Ricketts, Esq.*

2945. Are you aware of any applications having been made to the government for pecuniary aid to those schools you have referred to?—Yes; there were three different applications made to the government: one was for the supply of medicines for the Parental Academic Institution, and two applications for pecuniary assistance; but they were one and all refused.

2946. Would not that assistance, if it had been afforded, have been as valuable from the sanction that it would have afforded to the schools as from the amount of pecuniary aid that might have been obtained?—It would.

2947. Are you aware of persons of the half-blood having been employed in situations that have required a remarkable degree of circumspection and propriety of conduct; as teachers of religion, for instance?—They have been employed as missionaries in some parts of the country.

2948. Have they been employed as preachers, or chiefly in the business of education?—In both. They have been employed as teachers of schools, and also as preachers of the gospel.

2499. Have you heard of their having subjected themselves in those employments to any degree of reproach or censure?—No, certainly not; they are still so employed.

2950. Do you not think that the influence which they would possess in such employments would be very much increased by the removal of those restrictions to which they are now subject?—Certainly. It is a thing for which the natives themselves cannot account, that the government should reject, as it does, their own Christian offspring, and treat them with marked neglect and proscription.

2951. Do you not think that the disadvantageous situation in which they are now placed in the provincial courts of law is extremely unfavourable to their employment, and the means of investing capital in those situations?—It operates very injuriously in that way: it must prevent their residence in the interior.

2952. Can you form any idea of the proportion in which persons of the half-blood have increased within the last ten years, as compared with the European population?—I cannot form any precise idea of it; but the population has increased very rapidly within the last fifteen or twenty years, and is still increasing. The full tide of our population has flowed in, and must increase; there is no stopping it.

2953. Are the same branches of knowledge taught in the schools in which the persons of half-blood are educated as in

31 Mar. 1830.

J. W. Ricketts, Esq.

the European establishments?—The same. My opinion of the education in Calcutta is such, that, having brought two of my own sons to England for education, and not being satisfied with what I have seen in this country, it is my intention to take them back again to be educated in Calcutta. I give the preference to an education in Calcutta; that is, I see no necessity for the sacrifice of tearing children from their parents, and sending them away to England for education.

2954. Is more attention paid to the acquisition of the native languages in the schools in which persons of half-blood are educated than in others?—Yes. We employ native teachers for instruction in Bengalee and Persian. That is a particular branch of education.

2955. Do you not think, then, that if the restrictions under which they now labour were removed, their proficiency in the native languages would give them a very considerable advantage over every other description of inhabitants of India?—Certainly; as natives of the country, and as fixtures of the soil, they might be rendered instruments of great good to the country. If the real interests of India be sought, those interests cannot be more effectually promoted than through the instrumentality of those who have been born, educated, and have spent their lives in the country; that is my firm opinion.

2956. Will you state whether you are acquainted with any circumstances of persons of your class who have been subjected to detention by the government under the Regulation of the year 1818?—I am not aware of any instance.

2957. You are one of the persons who have signed the petition to which reference has been made?—I am.

2958. You state in that that the rule and regulation of the government of the East-India Company have, by clear and express declaration, included your petitioners in the class of native subjects of the British government. Is the offspring of European fathers and of Indian mothers, supposing a marriage to have taken place, classed by those Regulations as native subjects of the British government?—If born in wedlock, by the law of England they are British subjects.

2959. They are entitled to all the privileges of British subjects?—Clearly; but, practically speaking, they labour under the same disabilities as those born out of wedlock.

2960. The grievances of which this petition complains refer to those that are illegitimate children?—Yes, and also to their offspring born in wedlock.

2961. Have you known many instances of Europeans being married to native women?—There have been one or two instances. I think Mr. Harrington, who was afterwards a member of Council, married a native woman.

31 Mar. 1830.

J. W. Ricketts, Esq.

2962. Do not such instances occur among the European soldiers and persons in that rank of life?—They are married to native Christian women, but not to Hindoos and Mohamedans. I mean that they are married to Portuguese women, as they are called.

2963. The ladies of half-blood are very extensively married to Europeans; are they not?—Yes, they are.

2964. In their case their offspring become entitled to all the privileges of British subjects?—Yes; but should we marry European women on our part, our offspring are not British subjects.

2965. Do you think that if the half-castes were put on the footing desired by that petition, that would tend very much to increase the number of them?—I do not know that that would tend either to increase or decrease the number; but it would certainly tend to place them on a more satisfactory footing.

2966. Is it not the case as to the illegitimate son of an Hindoo mother by an European father, in the case of his civil affairs they would be governed by the Hindoo code; and if the son of a Mohamedan mother by an European father, then by the Mohamedan code?—That would strictly be the case; but they are generally dealt with as Mohamedans in the native courts.

2967. Might not the son of an Hindoo mother claim that his suit should be decided according to the Hindoo law?—Certainly he might do so; there could be no objection to it.

2968. The Judge could not refuse so to decide?—No, he could not.

2969. Would the appointment of persons of your class to offices from which they are at present excluded raise their respectability in the eyes of the natives, or would it be seen by them in an unfavourable light?—It would raise them in the estimation of the natives, who are at all times disposed to identify them with their fathers; and it is the marked distinction that prevails which attracts their notice; it is a thing for which they cannot account.

2970. You mentioned that your applications to the government for pecuniary assistance to the institutions for education were refused; do you remember the grounds on which they were refused?—There was no reason assigned; the letter merely stated that government did not deem it expedient to comply with our application.

2971. There was nothing in the letter which could lead you to suppose it was grounded on any principles applicable alone to the class of half-castes?—Coupling it with the general tenor of the Company's policy towards our class, it could have made no other but that one impression, that the refusal was grounded

31 Mar. 1830. — J. W. Ricketts, Esq.

on the application having come from our class, and from the institution in fact being an institution that originated with and was supported by our class.

2972. Was not that answer which you received from government the same as had been returned to similar applications from different descriptions of charities?—I remember Doctor Marshman having made an application for pecuniary assistance for the Benevolent Institution, and that application was complied with; and Mr. Thomason having made an application for the Female Asylum, which was also complied with; and the government made a similar grant to other institutions, in consequence of applications from Europeans in their behalf; such as the Free School and some others.

2973. Do you recollect any instance of grants having been refused which were applied for on similar grounds to that you referred to?—I am not aware of any.

2974. What situation do you hold yourself in Calcutta?—I was in the office of the Board of Customs.

2975. State the name of the office?—Deputy Register.

2976. What was your salary?—300 rupees a month.

2977. Have you any objection to state who your father was?—He was an ensign in the Engineers, and died at the siege of Seringapatam in the year 1792.

2978. Where were you yourself educated?—In Calcutta; in the school supported by the army, the Military Orphan Society.

2979. Did you go to any other school after you left that?—No, I did not. There is one circumstance that I omitted to state, which is this; that many of my countrymen have been educated in England, Scotland, and Ireland, but on their going back to India they have been so much disappointed at the state of things, that they have in many instances returned to Europe to seek a livelihood, finding that the door was completely shut against them in their own native country. I mean men of the first-rate education.

2980. Did those persons return to India during the lifetime of their fathers?—Yes, in some cases. There was the son of a general officer, who returned in the year 1825; he had obtained the diploma of Doctor of Medicine, and went out to practise, but he found that the state of society was such as to compel him to return to Europe, and I believe he is now practising in this country. There have been some other instances of this kind.

2981. Have those persons generally returned to India as men to seek their own livelihood, or were they called to India by their fathers after having completed a portion of their education in this country?—In some instances they have been

called by their fathers; in others they have gone out of their own accord. 31 Mar. 1830.

J. W. Ricketts, Esq.

2982. Have they upon arrival in India been excluded from the British society?—Not altogether excluded; but they have soon been able to feel the public pulse on the subject, and they could not brook any thing of that kind, and they would therefore much rather return to Europe than drag out an uncomfortable existence like that in India.

2983. Are any of them practising to any extent in the medical profession in India?—There are two or three.

2984. They are received in society, of course?—They are received in a certain class of society.

2985. There was nothing in the Company's Regulations that prevented the employment of the physician to whom you have referred?—No, not applicable to him individually.

2986. Was he employed by Europeans?—He did not remain long enough in Calcutta to ascertain that; the moment he saw the state of things, he returned to England.

The witness is directed to withdraw.

THOMAS HARVEY BABER, Esq. is called in, and examined as follows:

T. H. Baber, Esq.

2987. In what situation were you in India?—I was employed for the first ten years in the revenue department, also as a judicial officer.

2988. In what part of India?—On the western coast principally; in the Malabar province. From 1798 to 1808 I was employed in the revenue department, as above; from 1808 to 1816 in the capacity of Zillah Judge, first of the Zillah Court of Tellicherry, and afterwards of Mangalore; from 1816 to 1824 as third Judge of the Provincial Court of Circuit and Appeal in the western division; from 1824 to 1827 as principal Collector and Political Agent of the southern Mahratta country; and from 1827 to 1828 (January 30) as chief Judge of the Provincial Court of Circuit and Appeal in the western division.

2989. Will you state by what classes of people Malabar is inhabited?—By Hindoos and Mohamedans, and a great many Christians. I can give the average of the number. The different classes of the Hindoos, I apprehend, are about four-fifths of the whole population; the Mohamedans nearly one-fifth. There are about 10,000 Christians altogether in Malabar, and about 50,000 in Canara. The Mohamedans differ from those of Hindostan or the Carnatic; they are called Mopillas—Anglicè, sons of their mothers.

2990. There are many Arabs, are there not?—A few of the Mopillas are descendants of Arabs.

31 Mar. 1830.

T. H. Baber, Esq.

2991. Do many Arabs still come over to the country?—Constantly; every year.

2992. What is the condition of the Christians of whom you have spoken?—They are descendants from Europeans; some few from Englishmen, but chiefly from Dutch, French, and Portuguese; also native converts.

2993. They are all of the half-blood, are they?—Their ancestors married or formed connections with native women; but there are very few of those half-castes remaining. The remainder are descendants of those half-castes.

2994. Are there any Christians among them who appear to have any European blood?—The greater proportion of them are fully, with respect to colour, as dark as the natives themselves.

2995. Are there many Christians among them who appear not to have descended at any distance of time from Europeans; to be pure natives?—There are about 10,000 Christians altogether in Malabar, I should imagine, chiefly of the Roman Catholic Church.

2996. What is the tenure of the land in Malabar?—The property in the soil exists as strong as it does in this country; it is more properly allodial; the name of it is Jelm, which means birthright.

2997. Is property of that kind equally possessed by Christians, Mohamedans, and Hindoos?—Equally.

2998. Are the properties of any considerable extent?—They are divided and subdivided. There are estates so small as to produce hardly a rupee a year patom or rent; on the other hand, there are estates which produce perhaps from 5,000 to 10,000 rupees. Some individuals possess from ten to one hundred estates; the Zamorin Rajah for instance: his domains (crown lands) probably bring him a revenue of from 20,000 to 50,000 rupees a year; I cannot exactly mention the amount, for they are distributed all over the country.

2999. Do those great proprietors manage all their estates themselves, or lease them to tenants?—They lease them almost exclusively, except perhaps the land on which their family house stands, which they never part with.

3000. What is the extent of those leases?—If garden land, twelve years is the general period; but this is often continued from generation to generation, without going through the form of drawing out a new lease or a new assignment.

3001. Are they in the habit of altering the rent from year to year?—Yes; garden lands at the expiration of the leases, but not paddy fields (that is, rice fields), which never undergo any change, unless it is land newly brought into cultivation.

3002. There is in those cases an hereditary tenant who pays the same rent which has been paid by his predecessor?—Yes; but there are two descriptions of tenants; what are called the jelm, or permanent hereditary tenants, and the temporary, or tenants at will. In Canara the former are called moolgueny, or hereditary, and the latter chaly gueny; in Malabar the former are called jelm patom and jelm koori, the latter koori kanum, or simply patamkar. Jelm, as I have before said, means birthright.

3003. In what manner is the government revenue assessed on those properties?—There is no actual standard; there never has been a standard. In fact we have perpetuated the system we found established by Hyder, and afterwards by Tippoo.

3004. What is that system?—It varies in different parts of the district. In the province of Canara it is about twenty-five per cent., in Malabar about thirty, that is, of the gross produce; though this is, after all, but nominal.

3005. Is that revenue collected from the tenants, or from the proprietors?—Partly from the proprietors and partly from the tenants; it depends entirely on the will and pleasure of the proprietor.

3006. Have there been any sales of land for arrear of revenue?—Very considerable; so much so that almost an entire revolution has taken place in property, owing to these and sales in execution of judgments of courts, within the last thirty years. When they have been sold, many of them have not fetched one-fifth of their value; that is, original cost.

3007. Where a tenant of a small estate failed to pay the revenue, did the Collector immediately sell that portion of the estate?—No. In the first instance his person was liable, then his moveable property; every article of every description, every thing which could be laid hold of, was seized and sold; and that failing, then the land; even slaves have been sold the same as cattle.

3008. Did not the Collector apply to the proprietor for the payment of the revenue deficient on one of the small estates?—Not unless the proprietor's name was registered in the revenue accounts as the responsible person.

3009. By the nonpayment of revenue on the part of a tenant, the property occupied by that tenant might be sold without the knowledge of the proprietor?—It was very often sold. The proprietor might step in and tender the sum if it was worth his while, or he could raise the means so to do.

3010. Had the proprietor, after the sale, any power of re-purchasing the estate?—The same as all other persons, but none in consequence of his having been the former tenant or proprietor; he came into the market in the same manner as

31 Mar. 1830. other persons, but not in consequence of any former inherent right.

T. H. Baber, Esq.

3011. Supposing the estate to have been sold without his knowledge, had he the power of repurchasing it?—He could not prevent the sale; it was gone from him and his family to all intents and purposes.

3012. Has any commission been sent into that part of the country to remedy any inconvenience that might result from that state of the law?—Yes; three. The first in 1807, under Mr. William Thackeray; afterwards, in 1817, Sir Thomas Munro; and in 1819, to the best of my recollection, Mr. Græme, the late acting Governor at Madras.

3013. What measures were adopted by those several Commissioners?—Reports and recommendations were sent up to the government, and more especially by Mr. Græme; and regulations were drawn out, also surveys were made, which were about to have been acted upon, but there were objections to them on the part of the people.

3014. Nothing has been done?—Not that I know of. There was something doing when I left Malabar in 1828, I believe; but I am not aware of the extent or effect of it.

3015. Is the country well cultivated?—Highly; a garden from one end of it to the other.

3016. Was that so at the time we first obtained possession of it?—Not so much so as at the present moment; the country had been a prey to intestine wars and rebellions for years, and in consequence a great part of the population had fled to the Cochin and Travancore countries, nearly all of whom have since returned.

3017. Who were the chief purchasers of the estates which were sold?—Mopillas, and the public servants; that is, persons in the receipt of salaries from the government; these, in fact, have been the most thriving.

3018. Are the Mopillas engaged in trade?—They are; the whole of them are merchants and shopkeepers, as well as land proprietors and cultivators.

3019. Therefore they invested the fortunes they have had in trade?—Yes.

3020. Do they trade much with the coast of Arabia?—Yes.

3021. With the Persian Gulf?—Yes; with the Red Sea, especially Judda, Aden, Mecca, and Medina, and generally with all the ports in the Red Sea.

3022. Are their vessels numerous?—They were; but they are not now half what they were, in consequence of the monopoly of timber by the government, who assumed and declared the forests to be royalties, instead of which those in Malabar

have been purchased or inherited in the same way as every other description of landed property. 31 Mar. 1830.

T. H. Baber, Esq.

3023. Are they unable in consequence to build vessels?—They were for some years. I have seen several applications, both to the Bombay and Madras governments, requesting permission to fell timber themselves, or to purchase timber of the original proprietors; which requests were invariably refused, on the ground that the timber was required for naval purposes.

3024. Has it been used for such purposes?—Yes, it has, to a great extent; but a certain portion has been sold, chiefly what is called the refuse, or second and third sorts.

3025. What description of wood?—Chiefly teak and poon.

3026. Who were the purchasers of the timber which was sold, which you call the refuse timber?—Arabs, Parsees, and occasionally some of the inhabitants themselves.

3027. What is the size of the vessels?—The size of the vessels was from one hundred to five hundred tons. I can mention the names of some of the ship-owners: the Beebee or Queen of Cananore. This lady is queen in her own right.

3028. How many vessels has she?—She had previous to the monopoly nine; she has now four or five. Chowakkara Kunhy Packey, the heir of old Moosa, a man well known on the western coast, had twelve; that is, Moosa himself had. These are reduced, I think, to seven. I can mention their names and burthen.

3029 What was the total number of those vessels?—At one time, from twenty to thirty of from one hundred to five hundred tons burthen, belonging to the above two persons and other ship-owners; besides which there were other descriptions of vessels, such as botillas, dows, dingeys, and patamars and munchoos.

3030. Those smaller vessels carried on the coasting trade?—Yes; and some of the largest of them go up to Mocha, Judda, and other places in the Red Sea; also to Muscat, Bushire, and Bussora, in the Persian Gulf; Porabunder, Cambay, Cutch, Sind, and a long way up the Indus.

3031. To what town on the Indus did those vessels go; did they go to Hydrabad or Sind?—Yes; I believe they go up as far at least. I have seen bales of cashmere shawls brought amongst the return cargoes.

3032. Are you aware whether they have ascended the river of Punjab?—No; I am not aware of any communication with the Punjab rivers. They go up the Indus; but I am not aware of their going there further than that. I know that Peishwoor merchants have come down in Sind boats.

31 Mar. 1830.

T. H. Baber, Esq.

3033. Trade to a considerable extent is carried on to Shiccapore, is it not?—No, I am not aware of that.

3034. What are the articles which are exported in those vessels to the Red Sea?—Pepper, cardamums, rice, paddy (or rice in the husk), grain of all descriptions, arrow-root, ginger, cocoa-nuts, kopra (kernel of the cocoa-nut), cocoa-nut oil, and coir, which is made from the fibres of the cocoa-nut. The value of the produce of the cocoa-nut tree alone, exported from the western coast, is supposed to be an hundred lacs of rupees.

3035. From what ports do those exportations chiefly take place?—From Cochin, Chowgaut, Panany, Tanore, Perperangady, Beypoor, Calicut or Kohicote, Quilandy (which is a favourite Arab port), Kotah, Barragurry, Mahe, Tellicherry, Cananore, Cavai, Bekklum, Mangalore, Cundapore, Onore, Cumpty, Seedashagur, besides numerous intermediate ports.

3036. Is Quilandy a good port?—Yes; there are more of the Arabs congregate there, and more mosques, than in any other port on the coast. The Mopillas here are the fairest of all the Mohamedans.

3037. Can vessels of 700 tons enter every one of those ports?—They can approach as near as a thousand yards of the shore with perfect safety, nearly all along the coast.

3038. Are they safe in those ports during the monsoons?—No; the strongest vessel that was ever built could not ride out a Malabar monsoon. One or two attempts have been made within my observation, but they were obliged to go off.

3039. Where do they go to when they are obliged to go off?—To Bombay; some to Cochin, where there is a very fine river.

3040. What are the chief importations from the Red Sea?—Coffee, dates, and gold dust; almonds, kissmisses (dried grapes), prunes, gums, drugs, perfumes, elephants' teeth. There are several others which I cannot call to recollection at this moment; but chiefly, however, they bring specie, in venetians or sequins, and dollars.

3041. Do you know how far up the Red Sea those vessels go?—The full extent of the Red Sea. Very few of the Malabar vessels go up that length, but they have agents or commercial dealings the whole way to Suez.

3042. How far do the vessels go?—To Cossier, I think.

3043. Have you heard of their being frequently lost?—No; very rarely indeed.

3044. What time do they occupy in going and returning?—They generally go before the monsoon, and return after the monsoon; or rather from January to April, and return from the beginning of August to January.

3045. From what part of the coast of Arabia do the Arabs chiefly come?—Chiefly from Arabia Felix.

3046. From any principal port?—From Aden, Judda, Mocha, and Muscat, and all the ports at the mouth of the Red Sea.

3047. Is much trade carried on with Muscat?—A great deal, particularly with the port of Cochin.

3048. Are you aware whether any great difficulties were experienced by the merchants who come down the Indus?—No, I am not aware of any. Pirates were common some years ago, but they are all destroyed, I believe, now.

3049. The question applies to the navigation of the Indus itself?—No, I am not aware of any impediment. I have often talked to the Sind merchants whom I have met with at Tellicherry, Calicut, and Mangalore, but I have never been apprized of any particular difficulties

3050. What are the returns from Sind?—Cotton piece goods are all I can call to recollection just now, except shawls; but chiefly specie. I think they generally purchase their return cargo with money, which is so valuable to them.

3051. How is justice administered in Malabar?—According to the Regulations of Government, adopted from Bengal.

3052. Just as it is in the other parts of the territories under Madras?—Precisely the same. What is called the civil law is the local law of Malabar and Canara, called Deshachari, which differs entirely from the ancient Hindoo law, as contained in their Shasters, named Iruti, Dherma Shastra, Mimamsa, Dya Bhaga, &c.; for instance, the local law of succession, descent, and inheritance, is totally distinct, perhaps peculiar to the western coast, where property descends, not from the mother to the son, but the sister's sons, and, those failing, to the aunts on the mother's side and their descendants. This is called Maramakatajum—Anglicè, Nepotism.

3053. Is that peculiar to the Hindoo part of the population?—No; many of the Mopillas, especially the two head families (*viz.* the Beebee of Cananore and Chowakkara) I have mentioned, follow the same rule.

3054. As well as the Hindoos?—Yes, but not the whole; a portion of them follow the law of Mohamed.

3055. Does this law of descent adhere to the family or the land?—To both.

3056. If the land was purchased by a person of a different religion, would it still descend according to the original order?—It depends upon who the purchaser was; if a Hindoo or Mopilla, following the local law, it is in his gift; or it may go in the way the property was inherited, provided it can be ascertained or proved that it was purchased with the proceeds of the

31 Mar. 1830. — T. H. Baber, Esq.

hereditary property. The senior male of the family is generally considered as the manager, although, properly speaking, the senior female is the lawful proprietor. The Cananore Beebee, for instance, also the Ranny, or Queen of Travankore, under the name of Attinga Umma Tamburattes. Treaties, every thing of importance, is or should be done in her name, though the rajah, her son, is the ruling rajah. The husband or father is never mentioned, and with the Hindoo rajahs perhaps not known.

3057. Does property more usually descend in the female than in the male line?—Always with the Hindoos, excepting the Brahmins, in the female line; but the sons of the females are the managers of the property. One of the most reproachful terms in Malabar is calling a man Appa—Anglicè, Father.

3058. Are punchayets used in criminal suits in that country? —Not since the establishment of the Company's dominion.

3059. Were they exceedingly used before?—There were what were called Sabbahs, or assemblages of influential men, though not exactly of the nature of punchayets; but, in point of fact, there was no regular administration of criminal justice at any time.

3060. Will you state your opinion as to the practicability of introducing the use of native juries in the administration of civil and criminal justice in Malabar?—It would be the most acceptable alteration to the people that could be introduced; it is the one thing wanting in the part of India I have been employed in.

3061. In that part of India are the people who would be called to serve on juries superior to those who would be called upon for the same purpose in other parts of India?—I think they are. They would be taken discriminately, I should imagine.

3062. Are there persons of higher description in Malabar?— There are nearly 300 different castes of people in Malabar.

3063. Are there persons better educated in Malabar, possessed of more property, and altogether more fit to perform the duties of a juryman, than there are in other parts of India with which which you are acquainted?—The only parts of India I can speak to are the southern Mahratta country, that is, the country from the Kistna river down to the Toongbudra, comprising a population of about a million and a half of souls; and the western coast provinces, composing a population of between two and three millions. I should say decidedly, that the people of Malabar were the most intelligent and best informed of any natives I have ever met with.

3064. Have they ever expressed a wish to be admitted to any share in the administration of justice?—Yes, frequently. When I was senior Judge of the Provincial Court of the western division, I was particularly directed to ascertain the feeling of the

31 Mar. 1830

T. H. Baber, Esq.

people upon that question. I have now brought with me two letters I received from Mr. Græme, the then acting Governor of Madras, upon the subject, which I can produce, if it is desired.

The same are delivered in, and read; and are as follow:

"Madras, 21st August 1827.

"My dear Baber,

"Your opinion has always been in favour of the independence, the intelligence, and the general good character of the inhabitants of Malabar; and you have always wished to raise them to the possession of all rights and privileges that might be consistent with a due subordination to the government, and that would add to their moral happiness; you will, therefore, I think, read with pleasure the inclosed draft of a Regulation, preparing to establish juries. It is thought better to confine them, at present, to those places where the zeal, the ability, and the concurrence of the presiding Judge in the expediency of the measure, may hold out the most rational prospect of its success; and I am naturally anxious to know the sentiments of one in every way so well qualified as yourself to give effect to an important institution, if you think it adapted to the state of Malabar. By your answer I shall be determined on the propriety, or otherwise, of proposing to extend the jury regulation to Malabar."

"Madras, 15th September 1827.

"My dear Baber,

"It gives me great pleasure that you take up the jury regulation with your characteristic ardour; for there can be little doubt that with your talent and perfect knowledge of the language and character of the Malabar people, and your partiality for them, the measure will succeed in your hands. The Regulation, modified by the Sudder, and sanctioned by government, will be published in a few days; when, upon expressing your sentiments officially, the government will be enabled to use the discretion vested by the Regulation, by directing its being introduced into Malabar, when you may be known to be presiding at the Quarter Sessions."

3065. Did that first letter enclose the draft of the Regulations?—It did. I have a copy of the Regulation which was subsequently passed by the Governor in Council. There were some objections made after Sir Thomas Munro's death, and it was never, in consequence, carried into effect. I can give your Lordships an account how this jury regulation commenced, if it is wished. Two Judges of the centre division, of the names of Newnham and Dacre, gave in a minute to the late Governor, Sir Thomas Munro, proposing the introduction of trial by native juries. The grounds were as follow:—To remedy the double inconvenience arising from the foreign origin of both English Judges and Mohamedan law officers, and to remove the niceties of the law, or rather scruples of the law officers in respect to evidence, and generally to facilitate the dispensation of criminal justice. So imperfect was the law itself (the Mohamedan law), and so

31 Mar. 1830.

T. H. Baber, Esq.

utterly ignorant were the Mohamedans themselves of their own law under the Madras presidency, that it was found necessary to import Mohamedan law officers from Bengal, Hindostan, Oude, Surat, &c., into the Madras presidency, on the first establishment of the judicial code. Moreover, those Mohamedan law officers, so imported from Bengal, Hindostan, &c., laboured under the disadvantage of being totally ignorant of the local or vernacular tongues of the different provinces wherein they were employed; and it became necessary, in consequence, to interpret and translate into Persian the proceedings held in those languages for their use. The subsequent modifications of the Mohamedan law, introduced in the judicial code at the suggestion of the European Judges, almost superseded the Mohamedan law altogether; for instance, where a man was convicted of hav- seriously wounded, or of having robbed by open violence, the code of Regulations of the Madras government fixed the punishment. Of what use then, these gentlemen asked, was it to apply to the law officer for his scruples, that the court might overrule them? In cases where the punishment was not specified, or the offence not provided for, a reference might then be necessary to the law officer; not however for the fact, for that could be decided by the jury (for at present the Mohamedan law officers are judges both of the fact and of the law under the Madras presidency, and under the Bombay presidency they are merely the judges of the law), but as to the law itself (as an abstract question); consequently no necessity could exist for Persian translates of the record. Doubtful points of evidence might also be referred to the law officers. Juries would be no innovation; on the contrary, would approximate the administration during the native government, by Sabbahs, or convocations of their countrymen. The absurd objections to the evidence of police officers would no longer exist; the innocent would be secure from falling victims to false prosecutions; and the really guilty would find it more difficult to escape than at present. Such were, as I understood, the principal arguments of the two gentlemen above mentioned. Sir Thomas Munro's (the late Governor of Madras) arguments were, that the way to extend the knowledge of the people, and to elevate the native character, would be, by bringing them into contact with ourselves in every department, in order that they might perceive and understand the enlarged views of Europeans in all matters of government; that the natives themselves are much better able to trace facts and judge of the credibility of evidence than ourselves or Mohamedan law officers; that long experience had shewn how utterly unsuited the present system of criminal law was to the circumstances of the people, or wants of the country. He observed also on the absurd scruples of Mohamedan law officers; on the delays and waste of time in recording and translating evidence, and preparing trials for reference to the Foujdarry Adawlut (the superior court

31 Mar. 1830.

T. H. Baber, Esq.

at the presidency). He further observed as to the superior competence of Judges presiding on trials over those of the Foujdarry Adawlut of the presidency, from the circumstance of the latter not seeing or hearing the evidence. He adverted to the objections raised by the Mohamedan law officers in regard to the inadmissibility of the evidence of police officers because in the pay of government, also of those of the inhabitants who were engaged in conflicts with offenders. All which, and other similar objections, would be obviated by trial by jury. Furthermore, he thought that public curiosity would be excited by native juries; that the courts would be crowded; and that the consequent presence of their countrymen would operate as a check upon jurymen being partial. The above views and opinions having been concurred in by the acting Governor, Mr. Græme, a reference was made to the Foujdarry Adawlut, by whom a revised Regulation for the trial by jury was submitted, on the 6th of September 1827, professedly as calculated to facilitate the operation of the jury system. The Judges, in re-transmitting it, observed that they had consulted several highly intelligent natives, who had given their readiest aid and much useful information to them. In their alterations of the draft of the Regulation sent them by government they raised the allowance to jurors from half to one rupee per day; observing that the difference of expense would not be worthy of consideration, compared to the saving in translating and in transcribing the proceedings, and in preparing and reporting upon referable trials to themselves. To that part of the Regulation that empowered the Foujdarry Adawlut to quash the verdict of a jury, they thought that a new trial was preferable; and that it would be better, in order to provide against unjust verdicts, that a sovereign power of pardon should be lodged in the Governor in Council. They concluded their observations by an opinion that, though the Regulation was not perfect, it would still, in its present form, work well in practice; and they had no doubt that trial by jury would be popular and successful beyond even the expectations of government. After Sir Thomas Munro's death, Sir George Walker, the Commander-in-Chief, and Mr. Ogilvie, third member of Council, expressed some doubts of the policy and expediency of the introduction of trial by jury. Sir George Walker observed, that punchayet arbitrations were such a decision as might have been come to by drawing straws, provided that neither party were bribed; that he himself had no confidence in the integrity of persons to be employed as jurors; and he did not conceive the character of the people would be raised by this mode of distributing justice. He concurred in Sir Thomas Munro's observations regarding Mohamedan law officers, and was at a loss to understand upon what principle such a personage was ever introduced. Mr. Ogilvie did not think the natives were morally fit to discharge the duty with integrity and impartiality. He apprehended that they would

31 Mar. 1830.

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T. H. Baber, Esq.

consider it a great inconvenience to be put upon juries, and that their caste prejudices might interfere; for instance, that Brahmins would not be convicted of any crime the punishment of which would expose them to infamy or degradation; also sectarism, such as the right-hand and left-hand castes. Notwithstanding which, he still thought that the proposed measure of trial by jury offered the most efficacious means of remedying the defects of the present system. Mr. Græme's (the second member of the Council) opinions were in entire accordance with Sir Thomas Munro's. After this, on the 11th of September 1827, a Regulation, No. X., A.D. 1827, "for the gradual introduction of trial by jury," was passed by the Governor in Council. Nothing appears to have been done until after Mr. Lushington's assuming charge of the government. In December 1827 he recorded* his view of the jury regulation; in the course of which he observed, that the most remarkable feature was the precipitancy with which this great change in the administration had been introduced; that, in disregard of all the wholesome restraints of the Regulations, neither the provincial nor the Sudder courts had maturely examined and discussed the subject; and the Regulation had been passed in defiance of the Commander-in-Chief's earnest entreaty, that the Board would pause before it authorized a plan replete with so much mischief. Mr. Lushington thereupon proposed that a reference be made to all the judicial officers and the principal Collectors for their sentiments, until which were received the Regulation be suspended. Mr. Græme, second Member of Council, dissented from the above, and amongst other observations stated that the Judges of the Foujdarry Adawlut had expressed themselves decidedly in favour of the trial by jury. The Commander-in-Chief and Mr. Ogilvie approved of Mr. Lushington's proposition to take the opinion of the judicial officers generally; and, in consequence, references were made to the whole of them, and certain questions were circulated for their answers. Having shortly after this left India, what has since taken place I only know from report. With respect to my own sentiments, it has always appeared to me that the most powerful engine that could be devised to secure the popularity and permanency of our government in India, would be by the introduction of trial by jury. A large portion of the people would not only be introduced to a partial acquaintance with the laws, but self-importance and vanity would be gratified, by the notion that those who were engaged as jurors participated in the administration of the laws, and, consequently, in the support and management of public affairs. That this participation and this conviction (so long only, that is, as they maintained the character of integrity and impartiality) would be the means of instilling and rendering habitual to their minds more settled notions of rectitude than have hitherto prevailed. That the true merits of a case would be much better known by the natives

31 Mar. 1830.

T. H. Baber, Esq.

themselves than by ourselves, much less by Mohamedan law officers. Sentences would be much more popular, and even punishments more striking and exemplary, than they are under the present system. At all events, that this advantage would be gained, that if injustice is done, if the innocent do suffer, or the guilty do escape punishment, the odium would be transferred from ourselves to the natives themselves; and, though last not the least important consideration, the saving in judicial establishments, both European and native, in the whole of the courts of justice, would be considerable.

The witness is directed to withdraw.

Ordered, That this Committee be adjourned to Friday next, one o'clock.

Die Veneris, 2° Aprilis, 1830.

The LORD PRESIDENT in the Chair.

THOMAS HARVEY BABER, Esq. is called in, and makes the following statement:

2 April 1830.

T. H. Baber, Esq.

3066. IF I had introduced the first trial by jury at the first quarter sessions A.D. 1828, as was designed by the acting Governor, I should have submitted a few alterations in the Regulation; but those alterations were not submitted to government, because of there being a stop put to the Regulation, as before mentioned.

3067. In what material particulars did you propose that any alteration should be made?—The 8th section of the Regulation in question provides, that, "immediately on the receipt of the Circuit Judge's precept, the Circuit Judge shall take by lot the names of the intended number of jurors; but in drawing the lots he shall exclude the names of all persons who had been summoned to serve on a jury at any time within two years, unless the required number cannot be otherwise obtained than by including them; so that no man, except in the case of necessity, shall be summoned to serve on a jury oftener than once in two years." My proposed modification would have been as follows:—Immediately on the receipt of the Circuit Judge's precept, the Criminal Judge shall select the intended number of jurors, with reference, as much as may be practicable, to the castes of the prisoners to be tried, with a view to counteract any undue bias from religious or caste prejudices for or against the prisoner, provided that no man, except in case of necessity, shall be summoned to serve on a jury oftener than once in two years. In the 20th section of the same Regulation it is provided, that

2 April 1830.

T. H. Baber, Esq.

"it shall not be requisite to reduce any of the evidence into the Persian language. In trials not referable to the Foujdarry Adawlut, the presiding Judge may dispense altogether with written depositions, and in lieu thereof place upon record his own notes of the evidence. In cases referable to the Court of Foujdarry Adawlut, the evidence for the present shall be taken down in the current language of the district; but a discretion is hereby vested in that court to dispense therewith, and to admit in lieu thereof the notes of the presiding Judge of Circuit, whenever they shall deem the same to be expedient." For which I proposed to substitute this: "The presiding Judge may dispense with written examinations, so far as to substitute in lieu thereof the substance of the evidence in the current language of the country, which shall be read over to the witnesses in open court, in order that its correctness may be ascertained in from themselves." In the 27th section, it is provided, that, "should the Judge of Circuit consider the verdict not sufficiently specific, either with reference to the value of the property stolen, to any aggravation or other peculiar circumstances charged in the indictment, which under the Regulations of the Mohamedan law would affect the sentence to be pronounced, or should he deem the verdict otherwise defective, objectionable, or contrary to evidence, he shall remand the jury to amend their verdict, first explaining his reason for objecting to it; but if the jury persist in their verdict it shall be conclusive, unless a new trial shall be ordered, under section 29." My idea was to omit that part which commences with, "which under the Regulations or Mohamedan law would affect the sentence to be pronounced, or should he deem the verdict otherwise defective, objectionable, or contrary to the evidence." And also to omit the concluding part, beginning with, "but if the jury persist it shall be conclusive, unless a new trial shall be ordered, under section 29." Section 29 consequently called for considerable alteration. The original section stands thus: "If in any case the presiding Judge of Circuit shall be of opinion that the jury have returned a verdict contrary to the evidence, and the jury, after being remanded, persist in their verdict, the presiding Judge shall transmit an English translation of the proceedings held, or an authenticated copy of his own notes, according as the deposition may or may not have been recorded, to the Foujdarry Adawlut; and that court shall have power, provided they concur in his opinion, to order a new trial. The verdict of the second jury shall in all cases be final." My proposed alteration was to omit that part, "and the jury, after being remanded, persist in their verdict, the presiding Judge shall transmit," &c. &c., and to say, "the presiding Judge shall have the power to order a new trial." In sections 2, 4, 5, 6, 7, 13, 16, 31, 32, 33 (to be omitted altogether), and 34, there would be required some trifling alterations, but the above-mentioned are those of most importance.

2 April 1830.

T. H. Baber, Esq.

3068. Had Mr. Ogilvie been employed in both the territorial and judicial lines?—I believe he had; but I am not acquainted with his history. I recollect his holding two situations; first, of Master of the Mint, and afterwards a Judge of the Sudder Adawlut.

3069. Do you know whether many persons who have been in the situation of slaves on the coast of Malabar have become proprietors of estates?—I believe there are two instances; but they are peculiar. Generally speaking, they are not permitted to hold land. Their owners lay claim to every thing that they do or may possess.

3070. Had you any opportunity of becoming acquainted with the inhabitants of any other part of Hindostan besides the district of Malabar?—Yes; the southern Mahratta country, lying between the Kisna and the Toongbudra rivers.

3071. Do you think that the natives of the Malabar coast were more strict observers of truth than the other inhabitants of Hindostan whom you had an opportunity of observing?—Certainly; decidedly so.

3072. To what cause do you attribute that?—To their keen sense of honour and high notions, and spirit of independence. An extraordinary instance of the former occurred in a trial which came before me. A female of the Nair caste had cohabited with a relation within what they call the prohibited degrees. The circumstance coming to the knowledge of their family, an application was made to me to punish the offending parties (both the man and the woman). I observed that the case was not provided for in the Regulations as a matter of criminal cognizance; that perhaps an action for damages might lie against the man, but that I saw no advantage that would result therefrom to the family. I therefore recommended to them to refer the matter to their own caste; observing that they had the power to expel the delinquents from their caste; that this was the only remedy I knew of or could suggest. They then petitioned me to have the parties taken up, and banished the country; they particularly requested that I would send them to his Highness the Rajah of Coorg, whose district adjoined that country. This I told them also was not in my power. The two seniors of the family, who had waited upon me, went away, evidently much dissatisfied. A few days afterwards a report reached me, from one of my police officers, that this man and woman had disappeared. I immediately set on foot an inquiry of what had become of them; and in my instructions to the police officers directed them to call before them particularly the two persons who had come before me as above. As soon as the two individuals in question heard of the inquiry the police officers were making, they went and delivered themselves up, acknowledging they had put them to death, and not therefore to annoy

2 April 1830. — T. H. Baber, Esq.

any other person on that account; that if there were any guilt, they were the guilty persons. The bodies of the man and woman were found horribly mangled. The proceedings of the inquest, together with the two prisoners, were forwarded to my court, when they acknowledged that they were the perpetrators of the murder; and then reminded me that they had appealed to my authority before to redress the family grievance, and thereby vindicate the family's honour; that I had not complied with their request, and therefore they had taken the law into their own hands. They were committed for trial, and sentenced by the Court of Quarter Session to be hanged. As usual, the trial was referred to the Foujdarry Adawlut, which court confirmed the sentence of death, and the warrant was returned shortly afterwards for carrying the same into execution. It was my province, as magistrate of that part of the country, to attend at the execution, in order to make those observations which would naturally occur to a magistrate on these awful sentences of the law. Both at the time that the prisoners were brought before me to have their sentence read, and afterwards at the gallows, the younger of the two brothers fainted away; when the elder encouraged him, by saying, "Be a man. Recollect by this act, for which we are now going to suffer, we have saved the honour of our family." This is one out of many instances I could mention of the extent to which the natives of Malabar carry their nice, though mistaken, notions of honour and of family pride.

3073. The mass of the people there are in general in wealthier circumstances than in many other parts of Hindostan, are they not?—Certainly, there is more appearance of comfort; but still they are in great distress, compared to what they used to be; owing, I conceive, to over-taxation. I know, indeed, that the revenues bear exceedingly hard upon them.

3074. Is not the rate of land assessment to which they are subjected lower than in most of the other parts of the Company's territories?—With reference to the nature of the land tenures in Malabar and Canara, perhaps it is. By those land tenures there exists an intermediate rank, which is not, I believe, the case in other parts of India. Besides the cultivator, there is a proprietor, as well as the government, to be satisfied out of the gross produce. Say it is tenfold: five or the half would go to the cultivator, out of which he has to subsist the slaves, to purchase the seed, implements of husbandry, cattle, &c. &c., and subsist himself and his family; of the remaining moiety, six-tenths, or rather three-fifths, go to the government; the remainder to the proprietor. But these three-fifths are nominal, arising from several causes; the two principal of which are, first, the great inequalities in the assessment, varying from twenty to one hundred per cent.; the other is the rate of conversion of the produce in kind to money, the government re-

2 April 1830.

T. H. Baber, Esq.

ceiving none but money payments, which upon the average is fifty per cent. more than the current rates, or the market prices; so that in many cases not one-fifth remains to the proprietor. I have known indeed a great number of estates wherein, from failure for want of means of payment of the assessment, the government have dispossessed the proprietor; and that, after they have had it for years under their own management, the whole proceeds, after paying all charges, have been found insufficient to discharge the assessment. Some of those proprietors I have known; for they have been under my custody, as Judge of the Zillah court, sent there by the Collector; and some have been confined for years for the arrears so created. Proprietors also very generally mortgage their estates to the tenants, or others, when the interest of the mortgage amount is paid from or deducted by the tenant from the proportion of the rent which would otherwise have become due to the proprietor.

3075. In your evidence on a former day, you mentioned that you had known instances in which, when sales of land for arrears of revenue have taken place, they have not been sold for above one-fifth of their value?—I have.

3076. Did you mean their full value, supposing them to be unincumbered?—I meant the full value, subject of course to the incumbrance. I have a report from Sir Thomas Munro, in which he particularizes a certain number of estates (rice fields) which were sold as above-mentioned to satisfy a revenue of about nine huudred rupees, when their cost to the proprietor was upwards of four thousand.

3077. To what circumstance do you attribute their being so sold?—To over-assessment.

3078. What becomes of the proprietors of estates generally who have been so dispossessed?—They are thrown upon the world to exist as they can. Some of the first and most respectable men of the country are in that state of poverty at this present moment.

3079. Persons subject to no other imputation of misconduct than this misfortune which has devolved upon them?—Not the slightest. Your Lordships will, I trust, pardon a little enthusiasm, while pleading the cause of the inhabitants of Malabar. I have been placed in a variety of situations of very considerable peril during times of trouble. Often have I been opposed to persons in open rebellion, with no other defenders but Nairs, and invariably have I found them faithful, nay, devoted to me; and even have been killed and wounded by my side; and in in order to shield my person from danger, they have surrounded me, and forced me behind a tree. From a principle of gratitude, therefore, I am bound to speak with more than ordinary feeling of them.

2 April 1830.

T. H. Baber, Esq.

3080. Were those occasions where you were subject to attack from other Nairs?—Yes, and Mopillas. At times I have had no other defenders but the Nairs themselves.

3081. What proportion does the rent which accrues to government bear to the proprietor's share?—Fifty per cent. to the cultivator, out of which he has to provide stock, live and dead, and subsist the slaves. Of the other fifty, thirty to government, and twenty to the proprietor.

3082. In the province of Canara, you stated the rent of government at twenty-five per cent.?—Yes, of the gross produce.

3083. Did you mean to state, that after the government has got possession of the lands of proprietors, in default of payment to the government, it is the practice of the government to keep those proprietors in prison?—Of the Collector it was, for the deficit which may have accrued previously to dispossessing them, or which may have accrued after they were dispossessed, of which I have known several instances.

3084. Did you say for years?—Yes; perhaps for two or three years. I have now a petition (English translation) from some of those defaulters themselves, addressed to the court of Appeal while I was a Judge thereof.

3085. And after it had been ascertained that the lands were over-assessed?—Yes; I can adduce a correspondence with the Collector on the very subject, in which that fact is fully admitted.

3086. Were you in Malabar before the introduction of the monopoly of salt?—I was; and for years both before and afterwards.

3087. Can you state whether any salt was manufactured, and in what manner, previous to the monopoly?—There are what they call Ooppadana, (Anglicè, salt-pans,) all along and in a parallel line with the coast. The lands are overflowed by the sea; some of them are dammed up, into which the salt water is admitted, which, by the heat of the sun, being evaporated, leaves the salt residue.

3088. Was that a source of income to the proprietors previously?—Very considerable; the diminution of which is a source of great grievance to the inhabitants.

3089. Was any compensation made to the proprietors of salt?—Yes.

3090. To what extent?—Not by any means equal to what they enjoyed before the monopoly.

3091. Was more salt manufactured in the aggregate before the introduction of that monopoly than has been since?—Considerably. One reason is, that a great deal of foreign salt, from being more profitable to the government, has been imported from Goa, Bombay, Cutch, Mocha, and the Gulf.

2 April 1830.

T. H. Baber, Esq.

3092. Has the price of salt been enhanced in consequence of the monopoly?—From three hundred to four hundred per cent. in some parts of the country. I have known it stand the consumer perhaps as high as six hundred or seven hundred per cent.; but this and other grievances of the people I noticed in a memorial to the Honourable the Court of Directors in August last, which, if it is the pleasure of your Lordships, I can produce.

3093. Have you been in any situation in which you had an opportunity of observing the personal conduct of the Punchayets?—I have; particularly in the Southern Mahratta country.

3094. They acted under your immediate orders?—Not in my actual presence, but under my instructions.

3095. Was the conduct of those Punchayets generally satisfactory?—By no means.

3096. What was your objection?—Because not presided over by an European.

3097. Had you reason to doubt their integrity?—I believed them to be very corrupt, as Mahratta Brahmins generally are; but I believe it is in the power of an European, who will take the trouble to superintend them, to prevent any thing glaringly dishonest or grossly partial.

3098. Do you conceive, in the opinion given by Sir George Walker, that a decision by a Punchayet is equivalent to the drawing of straws?—No; I think he is labouring under a most unfortunate prejudice.

3099. What reason have you to suppose that their integrity would be greater when acting as a jury than when acting as a punchayet?—Because they would be selected and superintended by an European Judge, acquainted with their language, with their customs, with their characters, and whose very appearance would overawe them, provided that the presiding Judges were selected as they ought to be; that is, with reference to these indispensable qualifications.

3100. Do you think, in that case, any weight is due to the observation that a regard to caste would influence the verdicts, and that a Brahmin would never be convicted?—Not so universally, by any means, as alluded to. Nothing is more common than Brahmin witnesses against Brahmins; but in all my experience as an executive servant, for nearly thirty-two years, I have never had reason to suppose that they favoured each other more than any other castes; and if caste would not have that effect as witnesses, I do not see why it should as jurors.

3101. If there was any bias of this kind, do you think the decision by three-fourths of the jury, instead of the whole, would be sufficient to counteract it?—Certainly. The Regula-

2 April 1830.

T. H. Baber, Esq.

tion provides that nine out of twelve (twelve being impannelled) or three-fourths, shall be sufficient for a verdict of conviction.

3102. Have you any half-castes in that part of the country?—In Malabar and Canara, I imagine, there are altogether, perhaps, about 60,000 Christians, of which 10,000 may have been originally descended from Europeans, though not a twentieth part of that number carry any appearance of it in their complexions.

3103. Are there any of that description the children of Europeans?—Yes; about fifty or sixty, the offspring of British subjects.

3104. What is the character of persons of that class?—From the want of education, deserted by their fathers, and with no other protection than their mothers, it may be naturally supposed that they must be exceedingly indolent and immoral; the females, in general, follow the example of their mothers.

3105. Are the sons employed by the government?—Some of them.

3106. In what way?—As English writers, translators, and clerks in the public offices. Speaking of those that are employed, I should say that a more meritorious or trust-worthy set of men cannot be.

3107. Are they respected by the natives?—Those in public employ; but I imagine it is owing to that circumstance that they are respected.

3108. Do you think they might be admitted into situations higher and of more trust than those into which they are admitted at present?—Some few might, undoubtedly; some that I know are worthy of any confidence.

3109. They are generally Christians, are they not?—All of them; but chiefly Roman Catholics.

3110. Are they chiefly at the presidency, or dispersed about the country?—Christians are very numerous on the western coast, from Bombay to Cape Comorin; wherever there are European stations they are most numerous.

3111. Have any of them acquired property?—Yes; some few landed property also.

3112. You ascribe their immorality to want of education?—Yes; and their being deserted by their fathers, and left to the protection of persons totally unfit for the office.

3113. Are there no means adopted by the government for their benefit?—No. I myself established a seminary at Tellicherry (at one time I had more than a hundred youths), to which many natives, both Hindoos and Mohamedans, contributed. Some very good scholars were turned out; and as many

as have been employed in public offices have done credit to the institution. 2 Apr. 1830.

T. H. Baber, Esq.

3114. The mothers are necessarily of low caste, are they not?—Generally; though some of them have been persons of high caste, but who have lost caste from their connexion with Europeans.

3115. Is there not a great number of native Christians?—There are about 10,000 in Malabar; and about 50,000 in Canara. Great part of them are descendants from Dutch, Danes, French, Portuguese, and the rest converts, chiefly from low castes, or persons of high caste who have lost caste.

3116. With regard to the native Christians, are there not some native Christians who have been established from a remote period?—Yes; in the provinces of Cochin and Travancore they may comprise about 100,000, Roman Catholics of Syrian origin included. About 1,000 are to the eastward of Cochin and Choughaut, in Malabar Proper; they are what are called Nestorians, or Syrian Christians.

3117. Are they an orderly well-regulated race?—They are, I believe, the best subjects the Travancore and Cochin rajahs have; they are the most industrious, moral, and obedient, and many of them, I believe, opulent.

3118. Have you known any instances of their emancipating slaves they have acquired by purchase?—I have known only a very few instances; they were by way of experiment, made by myself and Mr. Græme; I know of no other.

3119. Do you think the Christians an increasing body?—Not the native Christians, except the increase from the ordinary course of population.

3120. Not by conversions?—No such thing is known as a convert by any of our English missionaries. I have heard of such a thing, indeed, as a person who has forfeited his caste turning Christian, but otherwise it is a thing quite out of the range of possibility, and for a very good reason; they lose their civil rights, that is, their birthrights, immediately on becoming converts. They are disowned by their family, and, in fact, are looked upon as a degraded people.

3121. They are called Syrian Christians?—Yes.

3122. They have priests?—They have a metropolitan from Antioch. Their priests are called Catanars. A great number of corruptions had crept into their church, which have been reformed by the metropolitan, with the co-operation of the Reverend Mr. J. Fenn, formerly of Trinity College, Cambridge, and other gentlemen of the Church of England, sent out by the Church Missionary Society. The have done a great deal of good, also, in establishing parochial schools and an academical institution for the education of the Catanars, at a place called

2 Apr. 1830.

T. H. Baber, Esq.

Cotym, in the heart of the Travancore country. I have understood that at one period their numbers were about 300,000.

3123. In the early part of your evidence, speaking of Malabar and Canara, you stated that four-fifths are Hindoos, and the remaining fifth chiefly Mohamedans, except 10,000 Christians?—Yes; and about 50,000 Christians in Canara besides.

3124. Can you state the number of Mohamedans?—I can, with respect to Malabar. There were about two hundred and forty-five thousand Mopillas, as given in a census taken two years ago; but not half that number in Canara.

3125. The whole population of the province of Malabar would be about a million and a quarter?—About 1,100,000 souls.

3126. How do you define the province of Malabar?—Malabar Proper is that pa t of the coast where the Maylayalum language is spoken purest; it is south of Canara; the northern boundary is Kagnyarote, and the southern Cochin.

3127. It is between the sea and the Ghauts?—Yes.

3128. That province is very thickly inhabited, is it not?—Yes; I imagine, about 120 to a square mile. The population has nearly doubled within the last thirty years. I think the population, when I went to Malabar first, was hardly 600,000; now, as I have before said, it is upwards of a million.

3129. To what do you attribute that?—The ordinary increase of population.

3130. By what law is it that native converts to Christianity are deprived of their civil rights?—The Hindoo law, as well as their own local customs, according to which the Company's courts are bound to regulate their decisions in matters of civil rights. The Mohamedan law is the criminal law of the land.

3131. You stated in a former part of your evidence that the Regulations of the Government have nearly superseded the Mohamedan code, did you not?—Yes; both as regards the scruples of the Mohamedan law officers, as before stated, and also as regards the law itself. For instance, a Mohamedan law officer in his futwah finding the prisoner guilty of robbery by open violence would, under a sentence of Hudd, adjudge him to suffer amputation of two limbs; this of course is not sanctioned by the British government, and is therefore commuted to imprisonment for fourteen years, at the rate of one limb for seven years. If convicted of kutl amd, or express murder, and kissaas, or retaliation, is barred, from failure of heirs to prosecute, or on account of prisoner's relationship to deceased, or the deceased being prisoner's slave, or any other ground of personal distinction and exception from the rules of natural justice, such objections are over-ruled. The distinctions by the Imams, as to the mode or instrument with which a murder is

perpetrated are not to be adhered to; but the act is to be judged by the intention. When prisoners are convicted of homicide, and the law officer awards deyat, or price of blood, then the fine is commuted to imprisonment. There are other similar modifications.

3132. Are there many suttees in that part of the country?—None. In Canara there have been four or five to the best of my recollection, of the Cheetapauven Brahmin women, since 1815, but carried on in the most clandestine manner. In Malabar some attempts were made, in 1805 I think it was, by a description of Brahmins called the Paulgat Puttars. The Nairs came to the knowledge of it, and compelled the whole party over the river into the Coimbatore country. The Nairs hold sagamanum or concremation in great abomination. In Seringapatam two instances occurred, one in 1816, the other in 1819. In the southern Mahratta country they do occasionally occur, both by burning and burying alive.

3133. What is the disposition of property among the natives?—In Malabar and Canara, chiefly in the female line. If there are no direct heirs or sister's children, then to the maternal aunt's female descendants.

3134. There is no inducement held out for suttees in the disposition of property?—None whatever, I may say; it is a practice not tolerated on the western coast.

3135. Is there any thing in the disposition of property in the southern Mahratta country which encourages suttees?—No. I verily believe the inhabitants would readily aid and support government in abolishing it. I witnessed one particular instance myself of such a disposition in the Buljeewar caste. I was making a circuit of the country at the time the information came to me that a Thely, named Murthema, had died, and his widow, Deyvucky, was preparing for a suttee. Both the mamalutdar and zilladar of that part of the country had endeavoured to dissuade her, but in vain. I ordered them to prevent it, until I came there to see what I could do to dissuade the woman; and in the meantime dispatched another zilladar, a jungum, the same caste as this devoted widow, and also one of my principal Mohamedan revenue officers, named Goolam Hoossein, with letters to deceased's relations and all the jungums, wherein I used all the arguments I could to convince them of the sin of suicide. The result was, that owing to the co-operation and influence of the jungums, the woman was persuaded to give it up altogether. Three days afterwards, I received a letter from the woman, thanking me for my interference.

3136. Did she lose caste in consequence?—No.

3137. Had any gold been discovered in Coimbatore before you left India?—Yes; not only in Coimbatore, but throughout

2 April 1830. that tract of the country lying west and south of the Neelgherry mountains and Koondanad. I have often seen the whole process, and have purchased gold extracted before me.

T. H. Baber, Esq.

3138. Is it found there in any quantities?—Yes. The whole of the country west of the Neelgherry mountains, in the taloogs of Parakameetil, especially at Nelliala, Cherangote, Koonyote, Kotah, Nambolacota, Daraloor, &c. &c., also the adjoining Koondanad and Gáat mountains, and all the rivers and cholas (watercourses) down as far west as Nellambore, and south-west as Caladicota, Karimpure, Aliparamba, &c., the whole tract, including the mountains, perhaps comprising 2,000 square miles, I may say, is impregnated with gold. Even the very stones in the beds of rivers, when pounded, have been found to contain particles of that valuable metal.

3139. Do you know whether any considerable quantity has yet been brought from that country, or in large pieces?—I have seen pieces perhaps weighing half-a-guinea; solid pieces, but generally it is in extremely small particles.

3140. Is it found in washing the sand of the river?—Yes, in all the rivers as far Nellambore, Karimpure, &c., as well as in the soil.

3141. Is the right of searching for it confined to the government, or to the proprietor of the land?—To the proprietor of the mountains and places where it is found, which are equally private property as the lowlands.

3142. Are there any establishments formed for the purpose of seeking for it?—None. The persons employed are the slaves of the proprietors.

3143. How long has it been known to be produced in this river?—As long as we have known any thing of Malabar. The process is, as your Lordships may suppose, with such people, extremely simple.

3144. How does it happen, if it is so abundant, that it has never been sought for on a greater scale?—Because the land belongs to individuals who are exceedingly jealous, and will allow no persons but themselves to dig for it. They probably extract as much gold as their means will enable them.

3145. Are the proprietors poor?—Generally very poor.

3146. Would it require capital to carry on this simple process?—Some capital, certainly; but unfortunately that part of the country is so very unhealthy that few strangers could stand the climate.

3147. Is there any gold on the Neelgherry hills?—Some was brought to me from about halfway up the western hills, by the koties, potters, and basket-makers.

3148. The climate of the Neelgherry hills is very good, is it

2 April 1830.

T. H. Baber, Esq.

not?—It is perhaps the finest in the world. The thermometer ranged from about 50° to 55° during the time I was there.

3149. Have the agents of the Company ever been instructed to make an attempt to establish a more extensive search for it (the gold)?—Never. The government derive a revenue from the pattees, or the trays in which the gold is washed. Each pattee pays so much per annum; I forget the amount, but I know it is a very few rupees.

3150. Have you any notion of the quantity that has been found; is there any account of that?—No, I have not; and the people themselves are very averse to give any information. They naturally suppose that our object, in all inquiries of this kind, is to raise our demands upon them.

3151. Are not the government aware of the amount?—No; they merely lay an assessment on the pattees or trays employed.

3152. It has no reference to the actual quantity of gold produced?—Not that I am aware of. The revenue, I believe, is merely nominal; merely an acknowledgment.

3153. You said that gold dust was imported from Arabia?—Yes; and from the Gulf also.

3154. Are there any mines in Malabar?—Those are the only mines I am aware of. They dig sometimes very deep; but from want of machinery have no means of going on, not being able to prop up the superincumbent ground.

3155. Have they ever found this gold in very large masses?—The deeper they go the larger the particles are, generally.

3156. Have they ever pursued any vein of it?—No; but there is not a part of the country where they can dig that they do not find it, in larger or smaller quantities. The largest quantity is found during the monsoon, being washed down the hills by the torrents of rain at that season.

3157. Would the proprietors of land be indisposed to let their lands for the purpose of permitting the gold to be got?—They would be very glad to sell their land.

3158. Would they be glad to sell it at such a reasonable rate as would make it worth the while of persons of capital to take it?—I am sure they would.

3159. Are there any difficulties arising from the Regulations of the Company that preclude such an arrangement?—On the part of Europeans, undoubtedly. No European is allowed to go into the interior without special permission.

3160. Are there any difficulties that regard the natives?—Yes; the nature of the climate. Whenever I have been there myself I have experienced the ill effects of it.

3161. And this physical obstacle would therefore apply to Europeans?—Not perhaps to that extent it would to natives,

2 April 1830.

T. H. Baber, Esq.

owing probably to their difference of living. I think Europeans would have a better chance of their health than natives.

3162. Have the Company endeavoured to search for it on their own account?—Never, that I know of.

3163. Was it part of your duty to suggest to them things of that kind when you were there?—I think I did write on the subject to my superior, when I was in charge of Wynând, in 1805-6; but I was a subordinate officer at the time. I think my suggestion was to have some scientific persons sent to explore that part of the country.

3164. Was any thing done upon that?—No.

3165. You are not aware that the Company have taken any steps to see whether they can increase the production?—No. I am pretty certain they have not.

3166. Do you think that has been prevented by the extreme jealousy of the people on the subject?—I rather think the government have never turned their mind to the subject; the income derived is so trifling, it was not perhaps of sufficient consequence to attract their observation.

3167. What is the character of slavery in Malabar?—They are absolute property, as much as the cattle upon a man's estate; they are bought and sold in the same way. A slave generally sells from five rupees to about twenty, or about ten shillings to forty shillings; when leased out, the usual patom or rent is four fanams, which is about two shillings a year. I could give a list of the several castes comprising the whole of the slave population. There are upwards of 100,000 of them in Malabar alone, and they are in that abject degraded state, that it is matter of astonishment that no legislative provisions have been enacted to improve their condition. The very appearance of them, particularly those in the eastern and south-east parts, bespeaks their wretchedness. Small in stature, spare arms and legs, with large stomachs, in fact more like baboons than men. Perhaps there is no person who has had the opportunity I have had of seeing and knowing these unhappy creatures.

3168. How are they dressed?—In the most retired parts of the country, with nothing but a plantain leaf tied round their waists; in the more open and cultivated parts, a waist cloth, perhaps about three feet in length and about a foot broad, secured by a knot in front.

3169. In what kind of labour are they more generally employed?—Agriculture; never as domestic servants. They are not allowed to come within a certain distance of several of the Hindoo tribes, or their houses. Mopillas employ them occasionally in domestic labour.

3170. But the Hindoos never?—Never.

3171. Are they all natives of the soil, or are any imported?—

There are none imported now, I believe. There were some imported from Travancore and Cochin, or rather kidnapped; many of them free-born children, stolen during the night-time. Many of them I discovered on the plantation of a native-born British subject.

2 April 1830.

T. H. Baber, Esq.

3172. Was he convicted of having kidnapped those slaves?—No, though he ought to have been. His agents, that is, persons in his employ, were brought to trial, and I think discharged in consequence of some scruples on the part of the Mohamedan law officer.

3173. Did it appear that he was cognizant of their having been kidnapped?—The Resident of Travancore, Colonel Munro, sent me a letter, which this same British subject had written to him, soliciting his (the Resident's) protection of his (the writer's) agent, who had been taken up in Travancore for this very act, and requesting he would obtain his release on whatever terms might appear to him reasonable. This letter, and all the correspondence it gave rise to, I can produce, if it is your Lordships' pleasure.

3174. What became of the children?—I sent the whole of them back to their parents, for which I received, through the British Resident, the thanks of the government of Travancore.

3175. Can you speak as to the character of slavery in any other part of the district?—In Canara, Malabar, Coorg, Wynand, Cochin, and Travancore, it is of the same description, and perhaps the whole slave population amounts to 400,000 souls.

3176. Is their condition, as far as you have had occasion to observe, much the same throughout all that range of country?—I think in Canara the landholders treat their slaves better than they do in Malabar, from the circumstance of the landholders being better farmers and in better circumstances.

3177. In fact, the effect of the very heavy demands of the government from the landholders falls on the slaves?—To a certain extent, certainly; as far, that is, as impoverishing their proprietors.

3178. That causes them to exact more severe labour?—It is not on account of the labour they exact, but that they do not subsist them as they ought to do. Often may they be seen in the wildest part of the forests and mountains, digging for wild yams for their very subsistence.

3179. They are quite a different race from the other inhabitants of the country?—Quite different.

3180. Is there not some idea that they were the aborigines of the country?—They are supposed to have been the aborigines of the country. Their history, which, like all the other Indian stories, is wrapped up in fable, is as follows: Srb Parasu Rama was incarnated to destroy the rajahs (Kheterees), then op-

2 April 1830. T. H. Baber, Esq.

pressing the earth. After twenty-one different battles, he slew them all. To expiate which, it being a great sin to slay heroes, called virahatirju dosham, he went to Gokernum, and having there performed sacrifices, and prostrated himself to Varuna, he made the ocean retire, and thus created 160 kadums of land.* He then went and brought the Arya Brahmins of the sixty-four grams, and to induce them to remain he went in search of the wild people who inhabited the forests and mountains, collected them, and presented them to the Brahmins as adiars, or slaves, since which period they have been considered as jelm property equally with the soil itself.

3181. What is the state of cultivation in Canara; is it fertile?—Certainly. I think they are much better farmers there than in Malabar; they take more pains to improve the soil than they do there. In Canara leaves are strewed over their fields, and then ploughed up. This is the general mode of manuring.

The witness is directed to withdraw.

Ordered, That this Committee be adjourned to Tuesday next, one o'clock.

Die Martiis, 6° Aprilis 1830.

The Lord President in the Chair.

THOMAS HARVEY BABER, Esq. is called in, and further examined as follows:

6 April 1830. T. H. Baber, Esq.

3182. Was there not a monopoly of tobacco established in Malabar?—There was, and is still.

3183. In what year was that established?—I think it was in the year 1806. It was a year or two previous to the Regulation having been passed legalizing it.

3184. Were you in Malabar previous to the imposition of that monopoly?—I was, for some years.

3185. Can you judge of the effects it had upon the people, as to the price of tobacco, and as to the oppressions which grew out of it?—It has been one of the principal subjects of complaint from the time of its first institution up to the present day. The monopoly in the first instance raised the price from three to four hundred per cent., and, owing to the abuses in the management, often to from seven to eight hundred per cent., to the consumer.

3186. Is tobacco an article in much use amongst the people in Malabar?—Universally. It is a necessary of life in that country.

* The tract of country lying between Gokernum and Kanya Kumari (Cape Comorin).

3187. Is it grown in Malabar?—A very little in the mountains; but the cultivation is prohibited, except in a very few instances.

6 April 1830.

T. H. Baber, Esq.

3188. Is the consequence of monopoly to introduce much smuggling?—Yes; and with it its concomitant evils, a great deal of crime. The smugglers, in bodies from fifty to an hundred, often assemble, and plunder wherever they go, and have been known to overpower the police. In Coimbatore, where they go to bring the tobacco, very great enormities have also been committed. I can read to your Lordships a short paper upon the subject, which will give a full insight into these things. It was introduced in a memorial I addressed to the Court of Directors in August last, after my return to this country. "Tobacco monopoly abuses.—The complaints on the tobacco and salt monopolies were first noticed by me in my report dated 28th December 1808. The subject was repeated at every new abuse, and at length attracted the notice of Sir Thomas Munro and Mr. Commissioner Græme. Not only had the people to pay the Company's monopoly price, which was about four hundred per cent. upon the selling price when the monopoly was first introduced, but the additional profit put on by the retailers, besides cheating by means of false weights, watering, &c. Mr. Reid, the second Judge of the Provincial Court in the southern division, and the Judges of the Sudder Adawlut, also took up the subject; and in consequence, after long discussions, the monopoly price was reduced, in February 1816, from 228 to 175 rupees per candy; and the then Collector (Mr. Vaughan) in the same year reported that it was not unfrequently sold at 200 per cent. on the monopoly price (R. 175 × 3 = 525 per candy), or more than 800 per cent. upon the selling price to the consumer when the monopoly was first introduced. Nor were the tobacco-grower's grievances inferior to the consumer's, owing to the overgrown influence of one Cassee Chitty, the late Collector Mr. William Garrow's confidential servant in Coimbatore; in consequence of which the ryots got but a moiety of what the government ordered them to be paid for their tobacco (R. 24 per candy), and on this account alone sustained a total loss in four years (as reported by the Commissioners, Sir Thomas Munro and Mr. John Sullivan), of 4,55,000 rupees; and Mr. Sullivan has further shewn, in his report to the Board of Revenue, that the people of Coimbatore have just cause of complaint against government, for their interference in their cultivation and disposal of tobacco, after having permanently fixed the land assessments; and he observes, that 'to make free markets, free prices, and unrestricted cultivation the data for assessing lands, and then to shut the markets, regulate the prices, and restrict the cultivation, was surely to trench upon private rights and to violate public faith;' and every Circuit Judge has noticed the scenes of bloodshed and rapine which

6 April 1830.

T. H. Baber, Esq.

follow the steps of the numerous banditties of tobacco smugglers. Mr. Sullivan reported the burning and plunder of villages where the ryots refused to sell their tobacco to smugglers, not an unfrequent attendant upon smuggling; and Mr. Commissioner Græme has noticed, 'that the present system augments the duties of the collectors, magistrates, and courts of justice, inasmuch as it raises a host of smugglers, and consequently an increase of crime and frauds without end amongst the native servants.'"

3189. Have any orders at any time been issued to compel the sale of tobacco among the people of Malabar? – Tobacco, as I have stated, is a necessary of life in a humid climate like Malabar. I have seen orders issued by the present principal Collector to his native servants, ordering them, under peril of dismissal from their offices, to sell a certain specified quantity. I have three of those orders. They are in the original language. I will read them in English.

3190. What is their date?—1827.

3191. Will you read the first of them?—"The order from the principal Collector, Mr. Sheffield, to the Tehsildar of the Nedungaad Talook. Your report of tobacco sales in you talook, from the first to the sixteenth of Meenam, gives but eighteen tulams; whereas five candies ought to be sold every month in your talook. I now warn you, therefore, that if your sales fall short of that quantity, you shall certainly be dismissed from your present situation, as I before warned you. Dated the Malabar year 1002, 18th of Meenam; corresponding with the 29th of March, Anno Domini 1827."

3192. What measures were the consequence of such orders? —A very considerable augmentation in the sales. The Board of Revenue reported on the 2d August, that Mr. Sheffield's system was working with extraordinary success, having in four months produced an increase of about twenty-eight thousand rupees. I did hear that in the whole twelve months the increase was about a lac of rupees.

3193. How was that increase produced?—I have heard that tobacco was forced upon the people in some instances.

3194. In what manner could it be forced upon the people?—By compelling them to take it. I have heard of its being left at their very houses; and I believe the fact to be true.

3195. Was that supported by a suspicion of contraband tobacco in the people's houses?—I never heard of such a suspicion.

3196. Can you state more precisely the means of compulsion which were used to force the people to take the tobacco, and how the price of the purchase was repaid?—I did hear that it

was repaid at the time the kists, or revenue instalments, were collected. 6 April 1830.

T. H. Baber, Esq.

3197. In what manner is the salt purchased from the manufacturers measured on the receipt, and in what manner is it measured on the sale?—I will read an extract from my paper given in to the Court of Directors in August last. "With respect to the salt monopoly, the people have been as loud in their complaints as against the tobacco monopoly; and believing as I did, and still do, in the truth of their representations, I brought them to the notice of government, pursuant to repeated orders of government. That it was undoubtedly, as a servant to the Honourable Company, my duty to do so, in order that measures might be employed for remedying the abuses which existed, and for avoiding the evils which I apprehended." (Those evils I apprehended were, that the people would be again driven into rebellion; such instances of commotions having unfortunately before existed in Malabar and Wynaâd.) "These complaints were, first, that many were prohibited from manufacturing salt, and thereby their lands which had cost them large sums of money, were rendered useless to their owners, as they would yield no other produce. The extensive suppression of salt-pans, both in Malabar and Canara, is a source of great grievance, both to the proprietors and actual manufacturers, who, 'to the number of 6,438 in Malabar alone,' (as reported by Mr. Commissioner Græme, in his letter to the Board of Revenue, dated the 31st of August 1820), 'were thrown out of a lucrative subsistence; and the compensation (which was not paid for years, and sometimes not at all, as set forth in petitions presented to myself,) was very inadequate.' This, 'tis true, the proprietors in some measure brought upon themselves; but as Mr. Græme says, the collector disguised the design with which he called for a return of their profits; and they, in return, concealed their resources; and it would be rather severe to inflict a permanent punishment on them for this offence. In lieu of this annual compensation, Mr. Græme recommended the purchase of the privilege of manufacture, or in other words the fee-simple of the salt-pans. It should also be borne in mind that the suppression of the salt-pans is not provided for in the Salt Monopoly Regulations of 1807. On the contrary, a particular distinction is made in favour of the inhabitants of Malabar, who are to be at liberty to carry on the manufacture, under the penalty of confiscation of the salt, and of a large fine, for selling to any other but the officers of government. Secondly, the great difference in the measurement, in the receipt or purchase from those who are allowed to manufacture, and in the issue or sale which was represented in specific complaints" (which I forwarded to government on the 3d of December 1814) "to amount to a reduction in quantity of one-half, partly caused by the operation of pressing down, and partly by a subsequent deduction of two

6 April 1830.

T. H. Baber, Esq.

in ten over and above such unfair measurement; while in the issue or sale no such allowance was made to the retailer or purchaser. This difference, Sir Thomas Munro ascertained by an actual inspection, was thirty-four and a half per cent. to the purchaser, and fifty-three per cent. to Bunjarees, or foreign purchasers. The then collector, in his return to my precept dated 11th of December 1811, (in cause No. 1,160 on the file,) himself admitted that it amounted to forty per cent.; *viz.*, twenty on the salt deliveries by the manufacturers on account of wastage, and twenty more in the difference of measurement in the receipt and retail of salt. Thirdly, the additional price put on by the retailers, besides other numerous frauds, which enhanced the price to the consumer from one to several hundred per cent., according to the distance from the salt depôts, which are all on the coast; and both in the tobacco and salt monopolies the employment of European agents (exclusive of the Company's covenanted servants) is felt as a very great hardship, especially by those who have suffered most by the institution of these monopolies. Ever since the year 1808, (vide my letter to the Honourable the Governor of Madras dated 28th December 1808,) I have constantly noticed the injury to our native subjects by this preference in Malabar; and in the last paragraph of my letter to government, dated 8th April 1828, I mentioned one individual (Mr. Johnson, a partner in the firm of Messrs. Shotton and Co., Bombay), who had no less than four contracts; *viz*. for the supply of tobacco to government, for the consumption of Canara for three years (about 1,300 candies annually); for importing Goa salt into Canara (about 600 candies); for supplying the Lacadive islanders with rice; and for carrying these articles from one part of Canara to another. It may be argued that it is safer to trust Europeans than natives with these exclusive privileges; but I am of a very different opinion. I know, indeed, that the tobacco imported by Mr. Johnson is of a very inferior quality to what it used to be, and what the people have a right to expect; and it will be obvious that the same profit which would make it worth the while of any European to speculate in these contracts would afford a provision for hundreds of natives, and who, from having suffered by these monopolies, have by far greater claims upon us than our own countrymen, who have numerous modes of gaining a livelihood, from which the natives must, for various reasons, be for ever shut out."

3198. In what manner is the salt measured when it is purchased for the government?—What alteration has taken place since the period that I was a magistrate I cannot say; but at the time I was in authority, and had opportunities of knowing those things, the custom was to press it down by the hands and feet in the parah (a large wooden measure); while in the issue it was piled up as light as could be; by which means there was, I imagine, a difference of at least twenty per cent. Another

twenty per cent. was taken from the manufacturers; thus, for every 1,000 dungallees 1,200 were required.

6 April 1830.

T. H. Baber, Esq.

3199. Was the same allowance made on sale as on purchase? —It was not.

3200. Was the injustice of this manner of purchase and sale noticed by Sir Thomas Munro?—It was. I can give the date; *viz.* para. 49, in his letter to the Chief Secretary to the Madras government, dated 4th July 1817.

3201. Was there not, during the period of your residence in Malabar, a monopoly of timber?—There was both of the timber and of the forests, which were taken possession of by the government.

3202. Did that monopoly extend not only to the forests, but to timber in the gardens and fields of the several proprietors? —It was not, I imagine, so intended in the first instance; but the conservator, the officer whose province it was to superintend the monopoly, extended it to timber grown in gardens; but I believe it was that officer's own act. Great complaints were frequently made, but I never heard of any redress, until Sir Thomas Munro abolished the monopoly altogether. This, I think, was in 1823.

3203. During that time was the price of timber much raised, so as to stop shipbuilding on the coast of Malabar?—It was not procurable on any terms. The Company took the whole quantity, except what was called the refuse, which was of little use in shipbuilding.

3204. Was shipbuilding stopped on the coast of Malabar in consequence?—Entirely. I have seen applications from the principal shipbuilders to the conservator of the forests and to the government, to sell to them, or to be allowed to purchase, timber to build and repair their vessels. They offered to purchase at any price.

3205. Since the monopoly was taken off, has shipbuilding improved?—Yes; four or five vessels have been built, or are building.

3206. Is there not also a monopoly of cardamums?—The cardamum farm is annually given to the highest bidder, the proprietor receiving a portion, nominally half the produce, but really not a third.

3207. Is the proprietor compelled to sell them?—He is obliged to deliver them to the farmer; the person, that is, who contracts for the produce.

3208. Is there a similar monopoly with respect to arrack and toddy?—There is; the toddy is the juice of the cocoa-nut, and arrack is a distillation from the toddy.

3209. Are those monopolies merely confined to the Com-

6 April 1830.

T. H. Baber, Esq.

pany's territories, or do they extend to any of the independent states?—I do not know of any what I understand by independent states. There are the territories of the Rajahs of Mysore, Coorg, Travancore, and Cochin; but they are controuled by British residents.

3210. Do you not consider the territory of Cananore as independent?—Certainly not. The Beebee of Cananore has a small tract of land, five or six deshams, in the vicinity of Cananore, and also the Lacadive Islands, for which she pays an annual sum, about 10,000 rupees, to the government; but she has not a particle of authority; she merely collects the revenues, that is, the government share of the land rent.

3211. Are those monopolies introduced into her territories?—They are.

3212. Is that by treaty?—No; and has in consequence been, and still is, one of her complaints, as set forth in a petition I was the bearer of from the Beebee of Cananore to the Honourable Court of Directors.

3213. What are the transit duties in the province of Malabar?—Internally there are no transit duties that I know of; but passing into another province there are. The frontier duties are farmed out.

3214. In what manner are the duties farmed out?—To the highest bidder.

3215. Are they fixed duties, or are they very much under the control of the contractor?—In Malabar and Canara there are certain defined rates; but in the southern Mahratta country, while I was in authority, they were farmed also to the highest bidder. But the rates were quite arbitrary; sometimes portions of the country were farmed out to different contractors, who sublet portions again to others; nothing is defined; it is left almost wholly, I may say, to the contractors themselves. There being a variety of sub-renters, a kind of competition is caused amongst them, by holding out inducements to the merchants to go through their part of the country.

3216. If there are three roads from one place to another on which transit duties may be levied, is there a competition amongst the contractors or sub-renters to get them to come that road?—Yes. As they collect the duty without reference to the commodity or its value, but by the number of head of cattle (all merchandize being transported by bullocks,) owing to the contending interests of the renters, they do all in their power to get the merchants to come by their respective chokies or stations. I should add, that, besides these duties, the people are subject to hereditary imposts, called russooms, claimed by particular families.

3217. Is the effect of this competition to lower or raise the

6 April 1830.

T. H. Baber, Esq.

duty?—The effect of all competition is rather to reduce; it will have the same effect naturally there.

3218. What is the state of the government forests since the cessation of the government monopoly?—The forests were given up wholly to the proprietors.

3219. Are there no forests belonging to the government now?—In the northern part of Canara, that is, from the Subramanny Pagoda, east of Mangalore, there are; all the forests to the eastward, or on the Ghaut mountains, are the property of the government; I never, at least, heard of any individuals laying claim to them. But the whole tract of forests south of Subramanny is claimed, and I have no doubt is the property of private individuals. I have seen many of these title deeds upwards of a century old.

3220. The reason for the monopoly originally was, that the timber might be supplied at a lower rate to the dock-yard at Bombay?—The ostensible reason given in the first proclamation by the principal Collector of Malabar, dated 18th July 1806, stated, "That the Honourable Company had occasion for teak trees for the purpose of building ships, and therefore the government had resolved to grant a monopoly to one Chowakkara Moosa, in order that it might be furnished with the trees it wanted at a low price," &c. The subsequent proclamation by the Madras government, dated 25th April 1807, announced "the assumption, in pursuance of orders from the Honourable Court of Directors, of the sovereignty of the forests in the provinces of Malabar and Canara."

3221. Was timber cheaper in consequence of that monopoly at Bombay than it is at present?—I rather think the price was considerably enhanced to what it was before the monopoly, owing to the expense of the conservator's establishment.

3222. Was the conservator sent by the government of Bombay, or by the Governor of Madras?—By the Governor of Bombay; the forests were re-transferred to Bombay by orders from the Court of Directors.

3223. There was no survey originally of the forests?—There never was. I beg to refer your Lordships to a very able minute, one of the documents published in Sir Thomas Munro's Life, containing full information on this subject.

3224. Is the cultivation of tobacco prohibited in Malabar?—Very little at any time was cultivated, and that confined to the mountains of Wynaâd; a few individuals among those mountaineers have, I believe, obtained permission to cultivate a small quantity for their own immediate consumption.

3225. It cannot be cultivated without permission?—No.

3226. Is the soil suited to the cultivation of it?—Yes; throughout the mountainous region of Wynaâd. This tract is

6 April 1830.

T. H. Baber, Esq.

situate between the upper country of Mysore and Malabar; it is the same country I mentioned where the gold mines were.

3227. Is the monopoly of tobacco universal throughout the Company's dominions in India?—In districts where it is not grown, it is, I believe; where it is grown, arrangements are made with the growers to deliver the produce for exportation to government. Not having had charge of those districts, I am not able to speak positively in respect to them, further than as far as I have referred to in Mr. Sullivan's reports on the subject.

3228. From whence does the tobacco come which is brought into Malabar?—The adjoining province of Coimbatore.

3229. Are there greater difficulties imposed on the cultivation in Malabar than in the adjoining province of Coimbatore?—It was prohibited altogether, with the exception of a few individuals, in Wynaâd; and I believe in Coimbatore they can cultivate it only under licences, and that they are obliged to sell what is exported to the government.

3230. If any person was at liberty to cultivate tobacco in Malabar, without restriction, would the quantity be increased?—Certainly; but it would not be nearly sufficient for the consumption of the province. They have always drawn their supplies from Coimbatore.

3231. Are there no other sources from whence Malabar is supplied with tobacco but the province of Coimbatore?—None that I know of. I believe that a small quantity is occasionally smuggled from Mysore, and also brought in vessels from Bengal; but there is a very high penalty, if discovered.

3232. Are the Company the only purchasers of tobacco, whether raised in Malabar or Coimbatore?—The exclusive purchasers, to the extent I have stated.

3233. And they put what price they please upon it, without reference to the expence of cultivation or the means of the people who want to buy it?—I can only judge of the effects of the system; monopoly, that is. Not having been employed in making the settlement with the growers, I cannot tell the principles on which it was made; but from the effect of it in Coimbatore, as reported by Mr. Sullivan, I should certainly say that the people had cause of complaint.

3234. Are cardamums used in Malabar by the natives?—In very small quantities. I do not believe that one-hundredth part of the produce is consumed in the country.

3235. The soil and climate are suited to the production?—I believe, the Ghaut mountains of Malabar and Coorg is the only part of India where it is produced.

3236. What is the nature of the prohibition which exists with respect to cardamums; is it as to the cultivation, or the

sale?—The growers are obliged to give the whole produce to the government contractor. 6 April 1830.

T. H. Baber, Esq.

3237. May any persons cultivate it?—Any persons who own that description of land. It is not propagated from seed; it is indigenous. It is produced in the recesses of the mountain forests, by felling trees, and afterwards burning those trees. Where the tree has fallen in the openings or fissures, that is, in the soil, the cardamum plants make their appearance. The only manure is the burning of those trees. In Soonda Balagat there are plantations of cardamums, but the fruit (berry, that is,) is very inferior to the natural production.

3238. The main expence of the cultivation is the cutting down the trees and burning them?—Yes; and guarding against squirrels, rats, and other vermin.

3239. Is it a shrub?—Yes; it is a species of bulbous plant, and grows three or four feet high.

3240. Are the forests in which it is found public or private property?—Wholly private property. There may be a few forests which have escheated to government; but I believe they have all now been given up to the original proprietors; such portion, that is, that had escheated to the government through the rebellion of the proprietors.

3241. They do not allow the persons to whom the property belongs to sell the cardamums to any person who chooses to buy it?—No; they are obliged to give it to the contractor.

3242. Are those lands liable to the land assessment?—Not those tracts occupied by the cardamums. Other spots cultivated with dry grain and cotton are assessed to the revenue; all other hill products are farmed out.

3243. What is the price of a certain quantity of cardamums? —I should say the market price averages from 800 to 1,000 rupees the candy of 640 pounds avoirdupois.

3244. Is that the price they generally give to the grower? —No.

3245. What do they give him?—At the rate of from 550 to 700 rupees; though they are often, particularly the mountaineers called Coorchers, Kadar, &c. left at the mercy of the contractor, who puts an enhanced value on the coins he pays them, or makes them take tobacco, cloths, salt, oil, betel-nut, and such necessary articles. I have known Arab merchants, and merchants from the Gulf, Sind, &c. pay 1,200 rupees for the candy to the coast merchant; but then there is an export duty to pay out of it.

3246. Is it the practice in Malabar to impress persons on the part of government as coolies?—It is; and a most intolerable grievance it is.

6 April 1830.

T. H. Baber, Esq.

3247. For what purpose are they impressed?—To serve as porters to marching regiments, detachments, and all European travellers.

3248. Is that a practice confined to Malabar, or does it extend to other parts of India?—I believe it is universal; wherever I have been it exists.

3249. What compensation is made to them for their labour?—They vary, at the discretion of the local officers of government. Often men who never carried burthens in their lives have been pressed. I have known them seized and confined, sometimes for days, before the detachment or the regiment arrived at the station where they were required. This also formed one of the subjects of my representation to the Court of Directors in August last.

3250. By whose authority was that done?—The commanding officer of the regiment; and individual travellers make requisitions on the local authorities for the number of coolies they require. They issue their orders to the native servants generally.

3251. Is the Collector authorized by any superior authority to take any person that he chooses for these purposes?—Certainly not; it is an abuse. There are orders from the government to assist regiments, detachments, &c.; but certainly not to use any thing like coercion.

3252. So that any Collectors who have so acted have gone beyond their authority?—I do not say that they have actually authorized such acts of violence; but their servants have.

3253. Do you conceive them to be aware that the servants carry their orders into execution in the manner they do?—I have myself repeatedly brought the subject to their notice; and certainly the full measure of redress has not been afforded. I have too often observed a disposition to take the servants' part; though I have myself witnessed these and other atrocities committed by marching detachments. I have seen houses that had been unroofed for the sake of the thatch, as fodder for the cattle. I have known of parties of sepoys going into houses and carrying away rice, fowls, butter, and other articles laid in by the inhabitants for their domestic use.

3254. Is not the commanding officer of a regiment particularly enjoined to specify to the Collector of the district the day on which his regiment will reach certain stations?—He is.

3255. Is he careless in executing that duty?—I believe it is always done; but from a variety of circumstances there may be delays, such as rivers coming down, which commanding officers cannot possibly foresee. The native servants are obliged in many parts of the country, days before the detachments arrive, to send out their kolcars or peons to press the inhabitants; for

6 April 1830.

T. H. Baber, Esq.

as soon as it comes to their knowledge that detatchments or Europeans are on the road, they invariably run away and hide themselves.

3256. Have you known any instances of resistance to those oppressions?—Very frequently; so far, that is, as running away, and occasionally contests with the public servants.

3257. Do the coolies receive a remuneration for their services?—They do.

3258. How are they paid?—Merely for the trip, without reference to the number of days they may have been coming from their homes, or waiting the arrival of the troops, or required to return to their homes.

3259. What proportion does it bear to the wages of labour in the country?—They are the generally established rates; the orders from the Collector to his servants are to provide them at the established rates; but there are very few people in the interior who can really be called porters; that is, who are willing to carry burdens; they are the peasantry, and consequently cultivators or artificers.

3260. There is a common rate of labour?—At the European stations; but there is nothing of the kind among the people themselves, but the wages of agriculture, &c.

3261. Is the use of tobacco general throughout India?—As far as I know of India. On the western coast it is a necessary of life; so much so, that slaves, if they do not receive tabacco with their rice, will run away from their masters.

3262. Where is it grown?—In the whole of the Carnatic, I believe; chiefly in the districts of Salem and Coimbatore; also in Mysore, Tanjore, Trichinopoly, Madura, and Tinivelly. Of Bengal or Bombay I am not competent to speak with certainty, excepting the Southern Mahratta country, where tobacco is grown in small quantities.

3263. Do you know any thing of the quality of it, as compared with the American tobacco?—All I can say is, that on the western coast the Coimbatore is preferred to any other tobacco.

3264. Have they the choice of any other?—They had, before the monopoly; but I never heard that they used it. It is the same with salt; which, though inferior to other salt, they always prefer to foreign salt, which I believe makes them ill.

3265. You mean to say that their preference is no proof of its excellence?—No. I know no other reason for their preferring it.

3266. You do not know any thing of its comparative excellence, as compared with that in America?—No.

3267. Is it grown in such quantities as to render it an article

6 April 1830.

T. H. Baber, Esq.

of export to this country, if required?—I believe its cultivation might be carried to any extent, with due encouragement on the part of government.

3268. Where are the cardamums exported to; where is their principal consumption?—To this country; to all the ports in India, Arabia, and the Red Sea; I have heard of Mahomed Ally Pasha's ships taking large quantities; the Persian Gulf, Bombay, and to all the ports north of it; and to Sind, &c. up the Indus.

3269. Do you think more attention would be paid to the cultivation or collection of it if the trade was free?—Undoubtedly.

3270. So that an additional value would be given to the land where it grows?—That would be the natural consequence.

3271. Are there any silk establishments in the part of the country with which you are acquainted?—Not where I have been in authority. I introduced one myself while I was at Dharwar, which succeeded remarkably well; it was entirely conducted by the convicts of my gaol.

3272. Is the soil suited to the growth of the mulberry?—Yes, the white mulberry.

3273. How long was it before you left India that you established it?—Two years; that is, in 1815, 1816, and part of 1817.

3274. Does it continue to this time?—I am afraid that my successor has not taken the interest in that and other new manufactures and cultivation I introduced; such as indigo and Bourbon cotton; also in weaving cotton, woollen, and hemp, by means of English looms, &c. &c.

3275. Is there any obstacle arising out of the Regulations of the government to the extension of cultivation?—None whatever; but I do not think sufficient encouragement is held out to the people.

3276. It requires a considerable capital to carry it on extensively, does it not?—No, I did not find that the case with either silk or indigo; they appeared to me to be attended with very little expense.

3277. How long is it before a mulberry plantation is sufficiently productive in leaves to make it repay for the planting?—A year or two, it will produce. After the first year, I have had them gathered in my own garden, and those gardens planted by the convicts; watering regularly every day during the hot months, they produce an abundant supply.

3278. Did you ever endeavour to induce any persons having property to undertake the cultivation of the mulberry?—I held out all the encouragement I could by inviting the people to look at my plantations and manufactures; I also sent specimens of

the silk I had made all over the country. I had periodical sales of both silk and indigo. Whenever I went on circuit through my districts, I took with me two or three of the English looms, to instruct the people in the use of them. Those with the flying shuttle were made by two soldiers out of the European regiment at Belgam. 6 April 1830.

T. H. Baber, Esq.

3279. What do you conceive to have been the cause that prevented the individuals embarking in it?—For want of sufficient encouragement, and competent persons to undertake it.

3280. Do you think it would answer for any British subject possessing capital to undertake upon a large scale the cultivation of the mulberry?—I think it would be a very advantageous speculation. My periodical reports of the labour of my convicts to the government of Bombay will shew the extent to which I carried these new speculations.

3281. In what part of the country was it that you established this?—At Dharwar, in the southern Mahratta country.

3282. Is that the seat of the local government?—It is.

3283. If any individual had proposed to take land on lease for the purpose of trying an experiment of that kind, would he have obtained a lease for that purpose?—Certainly not, if he was an European.

3284. Did any European ever apply for permission to have land on lease for that purpose?—The two soldiers whom I had employed, and who had been Glasgow weavers, after having been, I think, a month, and just as I was sending them back to their regiment, entreated of me to write to the commanding officer to obtain their discharge, that they might carry on the silk and cotton works. Those were the only Europeans I had an opportunity of seeing.

3285. Do you conceive that an European bringing capital into the country for a purpose of that kind would be prejudicial to the inhabitants or to the interests of the government of the country?—I should be very apprehensive that Europeans settling and occupying land would be extremely prejudicial to the interests of the natives.

3286. By occupying land, do you mean holding it by lease?—Yes; holding land on any terms.

3287. In what way would it be prejudicial to the natives, if the natives let the lands to the people on their own terms; the question not referring to the indiscriminate introduction of Europeans, but a person wishing to establish himself for the purpose of carrying on a business of that kind?—From the tendency of the strong to oppress the weak, which I have seen wherever Europeans have been in the interior, at a distance from European stations; and the people would not complain against them nine times in ten, partly through fear, and partly for want of

April 1830.

T. H. Baber, Esq.

the means to subsist themselves from their cultivations and homes, and to pay their road expences, &c.

3288. So that if any person, be his character what it might, should apply for permission to establish himself for this specific purpose, it would be wise policy, in your opinion, to refuse him permission?—Certainly; and another objection is, I think, that whatever the character of the European was, his superior intelligence would give him such a decided superiority over the native operatives, that the whole industry of the country would centre in him.

3289. If it gave employment to the labouring class how could it injure them?—They already get employment, which they would quit to work for Europeans.

3290. It would be attracting labour to them where there is at present none?—It might benefit the labouring classes; it might have the effect of raising their wages; but still the inhabitants would be sufferers.

3291. Would that be an injury to them?—Certainly not to the labouring classes.

3292. You stated that you thought the silk trade was likely to be an advantageous speculation to any one who entered into it?—I did.

3293. Do you know the state of the silk trade in any other part of India?—No. I believe it is carried on to a great extent in Bengal; some also is made at Seringapatam.

3294. Do you know that there have been several speculations?—No; except at Seringapatam, where there were about 500 families who gained a livelihood by it.

3295. Do you know the history of any establishment, or whether they have been abandoned?—No; I do not know of any establishment in any place, except at Seringapatam.

3296. Do you know that silk is at present imported into this country at a great loss to the Company?—No, I do not.

3297. Do you know of any instances in which the cultivation of indigo has been carried on by Europeans?—I believe it has in some parts of the Madras territory; at Arnee in the Carnatic, and in the eastern parts of Coimbatore.

3298. Is that within your knowledge?—Yes. I have been in company with indigo planters at Vellore and Coimbatore.

3299. Has that cultivation been felt to be an injury to the natives?—I have never been in charge of those districts. and am not competent to say; but I do not believe that the Europeans so engaged have found the speculation answer their expectations.

3300. You have not had an opportunity of seeing any instances

of such cultivation in Bengal?—No, I have not; all I know is, what I have stated of indigo cultivators. 6 April 1830

T. H. Baber, Esq.

3301. Would not the employment of capital in that way lead to the creation of offices in which the natives would be very advantageously employed; such as agencies and stewardships, and offices of inspectors and superintendents?—Necessarily the agency of natives must be taken advantage of.

3302. Would not it be very likely to be very beneficial?—To the immediate individuals, no doubt.

3303. So far, therefore, as such offices were created, the natives would be benefitted, and an incitement held out to their exertions?—Not the natives generally.

3304. Has sugar been grown to any considerable extent in the parts of the country you have been acquainted with?—Not to any extent. I know that experiments have been made in Amgerakandy plantation in Malabar, by the late Mr. Brown, and also by another European of the name of Skelton, at Mangalore, but both abandoned them.

The witness is directed to withdraw.

Ordered, That this Committee be adjourned to Thursday the 29th instant, one o'clock.

Die Jovis, 29° *Aprilis* 1830.

The LORD PRESIDENT in the Chair.

The Honourable ANDREW RAMSAY is called in, and examined as follows:

29 April 1830

The Hon. And. Ramsay

3305. WHAT were the various situations you held in India?—I was about twenty-five years in the commercial department, six years in the salt department, and about two years in the revenue department. I was altogether about thirty-four years in the service of the East-India Company, on the Bengal establishment.

3306. Where did you reside in the commercial department?—Principally at Jungypore from the year 1804 to the year 1818, and then again from 1824 to 1829.

3307. In what years were you in the salt department?—From 1818 to the end of 1823.

3308. What were your duties in the commercial department?—The first six years I was in the commercial department, I resided at Ghazeepore, in the district of Benares; I was assistant to the Resident of that station. The duties were, the provision of cloth, sugar, and opium; and from 1804 to 1818 my duties were entirely confined to the silk investment.

9 April 1830.

The Hon. *And. Ramsay.*

3309. Were you concerned in the sale of the imports of merchandize from England?—No, I never was, in any way whatever.

3310. Have the Company large establishments for the purpose of the silk manufacture?—Very large; I think about twelve stations, or residencies, as they are called.

3311. Have any individual European residents any factories of the same description?—I believe several have, but not equal in magnitude to any of the Company's residencies.

3312. In the Company's factories do they manufacture piece goods?—At one or two factories only; at Cossimbuzar factory, at Malda, and Santipore; I do not recollect any others where piece goods are made.

3313. Is the manufacture of silk goods continued at those factories?—It was when I left India.

3314. What process is carried on at the other factories?—The winding of the raw silk from the cocoons.

3315. Is that in no case a domestic manufacture in India?—Yes it is, but quite a different process, and is what they term Putney silk, which silk is employed in the manufacture of piece goods.

3316. How is that silk employed which is wound off by the Company?—It is all sent to Europe in a raw state.

3317. Do the mulberry trees and the worms belong to the same persons in India?—Sometimes they do; but, generally speaking, they do not. The mulberry is cultivated by one class of persons, and the worms are reared by another, though in many cases the mulberry cultivators keep worms also.

3318. Do those that are possessed of the worms wind off the silk?—I never recollect an instance of it at the Company's factory.

3319. What is the difference between the Italian and Indian worm; does there appear to be a great natural difference between them?—Not a very great difference; but there is so great a difference that those that are at all accustomed to them can see the difference at once.

3320. Which species of worm is in most general use?—The native worm of India.

3321. In a much larger proportion?—I should think, at the factory where I was, there might probably have been about a twenty-fifth part of the Italian worm used. It is only at a few factories in India the Italian worm is reared at all. I believe the factory I was at was the first where it was brought into use.

3322. Is the silk of the Indian worm inferior to that of the Italian worm?—I always considered it so.

3323. Is it much weaker?—That was the objection I always found to the country worm.

3324. Is it produced in smaller quantities?—I believe the quantity produced from an equal quantity of worms is nearly the same, but that may be owing to the Italian silk being spun much finer than the other qualities.

3325. How many harvests of silk are there in the year from the Indian worms?—I think it may be considered that there are four principal harvests from the Indian worm, November, January, March, and June, they are the four principal harvests; but at some factories there are one or two harvests more, I think, but November and January are the principal.

3326. Is the silk in November and January much greater in quantity and much better than at the other seasons?—It has always been considered so.

3327. Can silk be obtained from the Italian worm at more than one period of the year?—I never knew it produced oftener than once a year.

3328. Have there been any recent importations of the Italian worm into India?—Not since I have been in the service.

3329. In your opinion has the silk obtained from the Italian worm become deteriorated of late years?—I always understood from the Court of Directors' letters to India, that it had improved very much.

3330. Is that your opinion?—That is my opinion decidedly, that it has so improved; the question I understand to refer to the reeling of the silk.

3331. The question refers to the quality of the silk furnished by the Italian worm?—I should suppose, from the reports I have read, that it has fallen off very much in quality, and that the fibre of the silk when it was first imported to India was much stronger than it now is. It has certainly fallen off in quantity, and I should think it has also fallen off in quality.

3332. Have any attempts been made to increase the manufacture of silk in the houses of the natives?—No; I look upon the attempt to be impossible.

3333. On what ground?—Want of capital on the part of the natives, in the first place; and I have always understood that the manufacture of silk was a losing concern.

3334. The question refers to the winding off of the silk?—The natives have not the means of purchasing the apparatus for it.

3335. To what district in Bengal is the silk-worm confined? Generally speaking, to the whole of Bengal Proper, with the exception of the eastern districts; there is no silk produced there; the country is unfavourable for it.

3336. Is any produced in the upper provinces?—I believe it has never been attempted in the upper provinces.

29 April 1830.

The Hon. And. Ramsay.

3337. Are you aware whether there are any further difficulties in the way of its being cultivated in the upper provinces?—I should think the climate is the principal objection to it.

3338. The cold or the heat?—Principally the heat; the heat in Bengal generally destroys the worms, and I should think the heat in the upper provinces would do it still more. For three or four months in the year, in the upper provinces, it is so dry no vegetable scarcely will grow, while in Bengal, during the hottest weather, it does grow.

3339. Did the servants of the Company in any manner interfere with the purchases of silk individuals desired to make in the interior?—Yes, it is their duty to do so; the Company make advances, and it is the duty of the Company's agents to see that the silk for which those advances are made is not made away with by any body; but individuals very often do it; merchants very often purchase the silk for which the Company's advances have been made, and that is the cause principally of the heavy balances which the Company have outstanding in the silk districts.

3340. The object of the question was to ascertain whether the servants of the Company used any authority, given to them by law or by the power of the government, for the purpose of interfering with the mercantile interests of individuals?—Certainly. If I found an European merchant carrying away the silk for which I had advanced money, I would take it away from him; and if I could prove that in a court, I could recover heavy damages.

3341. Had you any power, as a servant of the Company, in the making an investment of silk which was not possessed by any other individual commercial speculator in the interior?—Certainly, considerable.

3342. State what it was?—There are privileges given to those who receive the Company's advances; they cannot be summoned in civil suits, except when the investment is at a stand, or after a silk harvest, for instance; and they are protected from the oppressions of the natives more than those who are not employed under the Company. The native police commit great oppressions upon the natives.

3343. Have you any authority, as a Company's servant, over the natives, except that which arises from advances previously made to them?—I conceive not.

3344. You were understood to say that persons who receive advances from the Company have certain privileges, which they would not possess if they received advances from individuals?—Yes, that is the case.

3345. Is any silk cultivated otherwise than by advances?—A considerable quantity.

29 April 1830.

The Hon. And. Ramsay.

3346. With reference to the silk which has been cultivated by advances made of private speculators, and for a competition with the Company in its purchases, how have the Company, by their agents or residents, the advantage?—The Company's prices at the Company's factories generally regulate the price of the day. There is only one district in India where there is any very large quantity of silk made that is not taken by the Company; that is the district of Rajeshaye, in which the residency of Bauleah is situated.

3347. In what manner do you understand that the price given by the Company regulates the price to be given by other persons; is it so high as to induce the grower to sell all his silk to the Company, and higher than a private speculator would be willing to give for it?—I believe it has been latterly so very high, the Court of Directors have complained very much against it; and it is so high that no private merchants have of late years been able to purchase silk with any prospect of advantage.

3348. Can you state on an average the price per pound at which the Company have purchased the silk, and the price at which they have been enabled to dispose of it?—I cannot state the price at which the Company have disposed of it, for I have seldom had an opportunity of seeing the account sales and actual expenses; but the prices that have been given for it, I always understood, were much higher than the Court of Directors approved. Latterly they were from twelve to fourteen rupees a sier of two pounds weight.

3349. Have not the high prices given for silk by the Company enabled them to command all the best silk in the market? —I believe, as much as they wished to procure they have obtained in the market.

3350. Is not the silk exported from India by the Company very superior in quality to that exported by individuals?—Certainly it is.

3351. It sells much higher in the English market, does it not?—I have always understood so.

3352. You are understood to say, that they keep the private speculator out of the market by the high price which they give?—The Company always give a liberal price. There is no fixed way of settling the price, it is left to the state of the market; if piece goods are in great demand, it has an effect upon the price of the Company's investments.

3353. The question alludes to raw silk rather than piece goods?—Any rise in the price of piece goods affects the price of raw silk; for the raw silk and the piece goods are made from the same article, though differently prepared.

3354. When you say silk cost from twelve to fourteen rupees

29 April 1830. — *The Hon. And. Ramsay.*

a sier of two pounds, do you mean on the spot of its growth?—I mean at the factory. I speak from the invoices which I used to send to the Board of Trade, when I sent dispatches of silk.

3355. Are you able to state what additional charges would be put upon it to bring that silk to London?—No, I am not; but I should think from fifteen to twenty per cent. I can speak from my own knowledge of one speculation I made in silk in the year 1805, when Marquis Cornwallis went to India; he arrived in the month of July, and immediately put a stop to the Company's investments. There was a great scarcity of money at the time in the market, and the silk people came to me to know what was to be done with their silk; I told them I could not take their silk, and they must sell it to individuals; their answer was, there were no individual purchasers in the market, and they could not sell it. There was a discount on bills at that time of fifteen per cent. between Calcutta and Moorshadebad. They, the brokers, came in a body and offered to give me their silk, and to take the loss of the fifteen per cent. upon themselves, which I agreed to. I sent the silk to England, and I lost, I think, about two thousand pounds upon it.

3356. Upon what quantity?—I think there was about £20,000, and I never traded in silk again.

3357. Can you state at what rate the cultivator can afford to grow the silk; whether it is matter of profit to the cultivator?—No, I cannot state that, because they always pretend to lose by it; and it is a very difficult thing to find out what it costs them.

3358. Though they pretend to lose by it, is the growth voluntary?—Entirely voluntary.

3359. Are many induced to continue who have once begun it?—It has been increasing of late years.

3360. Was there not a right of pre-emption independent of advances exercised by the Company?—I have never understood so.

3361. In what state do you receive the silk from the natives?—In the pods, which are called cocoons.

3362. You reel it for yourself?—It is reeled in the factories belonging to the Company.

3363. When you talk of seven rupees a pound, do you mean in the state of cocoons?—No; I mean the silk after it has been reeled off, when it is invoiced and sent to Calcutta, which is the last process.

3364. Do you reel the silk before you communicate to the cultivator what price he is to receive?—The prices are fixed while it is reeling; they are sent to the Board of Trade for their approval. They collect all the prices, and state their objections

29 April 1830.

The Hon. And. Ramsay.

to the prices of any particular factory, if one should much exceed in price the others.

3365. How do you ascertain the quantity?—After the pods are received into the factory, they who rear the worms have no further concern with them; the people who furnish the raw material, the cocoons, have nothing to do with reeling the silk.

3366. What price do you pay them for the cocoons?—The price is regulated by the state of the market; if there is a great demand for piece goods, the Putney or Bengal reeled, which is the article of which the silk goods are made, regulates the price.

3367. How many pounds of cocoons do you average to one pound of silk?—If the weather is very favourable, the quantity of silk produced from the maund of cocoons of eighty pounds is greater than if the season has been unfavourable; but on the average I look upon it to be something under four pounds, or about a twentieth part.

3368. Your payment to the cultivator is not made according to the number of cocoons furnished, or the weight of the cocoons, but the quantity of silk that they reel off from those cocoons?—There are two ways of doing it; one mode is by paying for the green material, and when that is paid for, the rearer of the cocoons has nothing to do further with the process, he is paid so much for each maund of cocoons he has furnished; another plan adopted at the factories is, that the rearer of the cocoon waits till his cocoons are reeled off in the factory, and according to the produce of the silk he is paid so much per pound for the clean silk which those cocoons have produced.

3369. How many months in the year are the leaves on the trees?—All the year, excepting at the moment that they cut them down. When the worms come into life, and are old enough to eat, the mulberry is cut down close to the ground; the young leaves are then given to the worms, and those leaves again sprout up, and may be cut within two months from the time they were first cut.

3370. How high does the mulberry grow?—The mulberry, when it is first cut, may grow about a foot or a foot and a half in height; and in the rainy season, when it is allowed to grow, it rises from six to ten feet in height in the course of three or four months; and previous to the silk harvest commencing for the ensuing year, or late in the month of October, after the rains have ceased, the mulberry plants are cut down to the ground.

3371. At what distance do they stand from each other in the field?—I think they are planted very like potatoes in this country, in drills, nearly about the same distance, in some parts.

29 April 1830.

The Hon. And. Ramsay.

3372. Have you ever seen them sown in drills?—They do not sow it with a plough, but they plant it. I believe the same root lasts from ten to fifteen years. The Court of Directors wished the natives to use the old leaves in preference to young leaves; but the natives were averse to it, and it could never be carried into effect.

3373. Were any Europeans, conversant with the European cultivation of silk, living among the natives, and forming establishments in Bengal?—There were in the district of Bauleah several, but none in the district where I was.

3374. Was the silk of that district supposed to be superior to that of the other districts?—I believe inferior; certainly not superior.

3375. Do you know what was the cause of that inferiority?—I cannot answer that question; the factory I was at was the original factory where the Italians were first settled when the Company sent to Europe for men to introduce the Italian mode of winding the silk; and I believe the Jungypore silk has always been considered among the best in the country.

3376. How long ago is it that the Italians were sent there?—About the year 1760, or between that and 1764.

3377. Do you happen to be aware whether, when the Indian raw silk is imported into this country, any goods are manufactured from that silk alone?—I do not know. I saw a man weaving silk at the repository at Charing Cross; and on asking him a few questions upon the subject, he told me that the Bengal silk was so weak they were obliged to have Italian silk for the cross threads.

3378. What is the first year you were acquainted with silk?—The year 1804.

3379. What was the price you paid at that time?—I cannot exactly recollect, but it was considerably less than it is now; it has been rising since.

3380. Has it been at all improving in quality since?—I have always understood that the Company's silk was very much improved in quality.

3381. Do you refer to that grown from the Indian worms?—Of all descriptions.

3382. Has not some change been made in the mode of taking the duty on silk?—I think there has been a change made since the renewal of the charter in 1815 or 1816.

3383. It was taken on the pound indifferently; was not it?—I do not recollect that the Company paid any duties at all before.

3384. When they first paid duties, how was it?—I do not

recollect now, the duties are charged in a different way from that in which they were before. 29 April 1830.

The Hon. And. Ramsay.

3385. How are they charged now?—There is an entry made in the books, and a charge made, but no duties were ever actually paid by the factory where I was.

3386. Did not that change in the mode of taking the duties lead to the introduction of a greater proportion of the lower kinds of silk in preference to the better kinds?—I cannot, without reference to the accounts, answer that question.

3387. Do you recollect any private individuals who had filatures during their residence in India?—I know one myself who had very extensive filatures. Mr. Fruchard, afterwards inspector of the Company's silk investment.

3388. Do you know any others?—There was a Mr. Watson, who had considerable filatures.

3389. Do you know what was the fate of those private adventures?—I believe Mr. Fruchard was a very poor man, and I have understood died very much involved. Mr. Watson is still alive, but I believe does not carry on the silk business.

3390. Is not that owing to the Company producing the silk and selling it at home at a considerable loss, so that it became impossible for individuals to carry on the trade profitably?—I should think that is the case, that no persons would like to deal in an article they must lose by.

3391. Do you know what the average loss is upon the silk?—No, I never heard.

3392. Did the private speculators make advances to the natives in the same way as the Company?—No, I never knew them do so.

3393. The only silk that the private speculators were supplied with was the country-wound silk?—There are many natives reel silk in the same way as the Company, according to the Italian mode, and that silk is sold to any person who chooses to purchase it.

3394. Does not it require some capital?—Many natives employed in the silk trade have large capital, but that is chiefly confined to the Bauleah district.

3395. The natives who furnished silk to the private speculators were not entitled to the privileges which were conferred on those who furnished silk to the Company's agents?—No. I beg to observe that those Regulations with respect to privileges have since been done away with. The orders had arrived before I left India, and there was a Regulation framing when I left Calcutta.

3396. The natives who furnish silk to the Company now

29 April 1830. possess no more advantages than those who furnish it to individuals?—I cannot speak to the Regulations precisely.

The Hon. And. Ramsay.

3397. Do you know whether Indian silk is now used for manufacturing purposes in England, for which it was formerly thought unfit?—I cannot take upon myself to answer that question.

3398. Do you conceive the quality of Indian silk is susceptible of much further improvement?—I do not think that it is; for the great defect in the silk is want of staple.

3399. Is any silk imported from China to Bengal?—No, not that I am aware of.

3400. Do you know the result of some experiments that were tried at Sincapore, for the improvement either of the manufacture of silk or the cultivation of the mulberry?—No, I never heard of them.

3401. Did the Italians, on their arrival in India, alter the mode of the cultivation of the mulberry?—I believe not the least; I never understood that they did. It is entirely different from that of their own country; but I believe they did not alter it.

3402. Has there been an improvement of the manufacture of silk at the private establishments corresponding with that in the Company's factories?—I do not know. I never was in the private factory of any individual.

3403. How long were you employed in the superintendence of the salt manufactory?—I was nearly six years in the salt department.

3404. At what place were you stationed?—I was stationed for about ten months in the Twenty-four Pergunnah agency, though only three actually resident; then five years in the Tumlook agency.

3405. Have the goodness to state in what manner the salt was provided?—By advances to the Molungees, who are the people who manufacture the salt.

3406. Was the condition of those Molungees as good as that of any other labourers in the country?—Fully as good, and in many cases better.

3407. Are there any means of increasing the supply, without any considerable increase of cost?—If higher prices were given for salt, of course more could be produced; but I always understood there was as much produced as was required for the consumption of the country. For three or four years together, the government tried the experiment of giving an increased price, and having a larger quantity of salt made; that was about the years 1814, 1815, 1816, and 1817. But there was an enormous loss to the India Company from the experiment, and it was never adopted afterwards.

3408. Do you know what the alteration in the retail price was under that arrangement in 1814, whether it rose considerably or fell?—I cannot answer that question; I do not know.

3409. Is the salt sold by the Company in large quantities?—It is sold at monthly sales, or every two months.

3410. Is the quantity to be sold known beforehand?—It is always advertised at the beginning of the year what quantity will be sold in that year, and I think they pledge themselves that not more than a certain quantity shall be sold; and at the beginning of the year when the first sale is announced, the different sales of the year are also put into the public paper, and proclamations published at the salt offices.

3411. Is it sold in large parcels?—It is sold, I think, in lots of three or five thousand maunds; the quantity deliverable at the agencies is in lots, of 250 to 1,000 maunds each lot.

3412. Is the trade chiefly in the hands of large capitalists?—The first purchasers are large capitalists, who purchase what is called the tuncas, and those tuncas are sold to merchants in the interior, who receive the salt at the agency warehouses, and carry the salt into the different districts.

3413. Is the price obtained by the purchasers at the sale very much larger than that given by them to the Company?—I cannot exactly say what advance they get, but the first purchaser, no doubt, gets a profit.

3414. The tunca is an order for the delivery?—Yes.

3415. Are you aware what difference there may be between the price at which the salt is retailed, and the price at which the Company sell it?—I have known the price paid for salt at the Company's sales to vary from 340 or 350 rupees for 100 maunds to 595 per 100 maunds.

3416. What is the weight of a maund?—Eighty pounds.

3417. Can you state, when the price of the maund was 350 rupees, what the price of that maund retailed would have been?—No, I had no opportunity of knowing that; I can state generally what I have paid for salt myself, which has been about five rupees a maund, but then it is not so pure; the price in the country is generally about five rupees a maund.

3418. Does the price in the country not vary very much?—I do not think it does.

3419. Does it not vary with the price at the sale?—The price at the sale would have a little effect upon it, but I do not think much.

3420. Have any Europeans become purchasers of salt to any large extent?—I have often heard of Europeans having salt sold to them; but I never recollect hearing of any one who had made any thing by it.

29 April 1830.

The Hon. And. Ramsay.

3421. Is salt ever sent into the interior in large quantities?—Merchants resident at large bazaars very often do so; but, generally speaking, it is carried in small quantities in return boats; it is a very heavy article, and there is great danger in dragging it up against the current.

3422. On whose account is it so transmitted into the interior; on account of persons to whom the boats belong, or the merchants in the interior?—Merchants very often have boats their own property, but they also freight boats. Of course the merchants resident in large markets carry on a very extensive trade in grain and salt, and different articles.

3423. What return cargoes do those boats carry into the interior besides salt?—A variety of different articles; cocoa-nuts, or any thing that is required in the province to which they are going.

3424. Have they generally a full freight when they go back?—Seldom or never.

3425. So that the cost of the conveyance of the salt is not very great?—I should suppose that is one reason why Europeans cannot succeed in the trade, that the natives can do it much cheaper, by sending small quantities in the return boats. For instance, a merchant residing at Patna sends certain quantities of grain to Calcutta, for the use of the horses there, and he receives back by those boats the articles that will sell in that part of the country; but they never freight their boats so heavily as when they go with the current.

3426. Do you know any instances of salt being imported into India from Europe?—I heard of one or two ships that were sent from Liverpool a few years ago.

3427. Do you know whether the adventure succeeded?—I understood that it did succeed, and that the government immediately put an additional duty on all salt that might be imported.

3428. Do you know whether the price at which that salt imported from Europe was sold was one that could have come into competition with the price of salt made in India, had the manufacture of salt there been free?—No, I am sure it could not. If the manufacture of salt in India was free, there would be very little salt required, for the natives would make it in every district of the country.

3429. Is there any prejudice on the part of the natives against the use of salt imported by sea?—Many natives of high caste would rather starve than eat the salt from this country; no Hindoo of good caste would eat any thing from on board a ship.

3430. Is that on acconnt of its having been prepared by

persons not Hindoo?—Not only prepared, but any articles touched by Europeans they will not eat. 29 April 1830.

The Hon. And. Ramsay.

3431. Do you mean to state that there are the means of preparing salt at any considerable distance from the sea, and in various parts of the country?—The salt is produced by various means in India; there is a lake, the bottom of which is entirely formed of salt, called the Sambre Lake; but there is a duty, I believe, on that salt, if imported into the Company's provinces; and they also make salt in the same way, I apprehend, as they make saltpetre. It is not so good salt, but they can make it, I have heard, in small quantities.

3432. In what part of the country are the salt manufactories of the Company?—In the lower parts of Bengal, and in those parts only along the whole mouths of the Ganges, and up the rivers and creeks adjoining.

3433. Cannot salt be provided in this part of the country at a much cheaper rate than it could anywhere else, except the salt lake?—Certainly.

3434. Could not that salt be manufactured so cheaply as to undersell any salt made in any other parts of the country?—I have no doubt it could be; many natives would manufacture a little for their own use.

3435. Is salt generally manufactured on advances?—Entirely by advances.

3436. To whom are the advances made?—Individually to the Molungees (who make the salt), in the presence of the agent.

3437. Can you state what is the amount of advance made to each Molungee?—It depends upon the quantity of salt land he has to manufacture his salt from.

3438. Is a Molungee invariably the proprietor of salt land, or is it allotted to him?—He is either a proprietor himself, or he rents it. They are generally renters, and the Company pay a remuneration to the zemindar of the district in which the salt is manufactured.

3439. Speaking generally, are the Molungees indebted to the Company on their advances, or are they on the delivery of their salt free from all embarrassment?—I do not recollect, during the time I was salt agent, that there were any balances at the end of the year, and rewards are invariably distributed to those who conduct themselves with the greatest propriety.

3440. Do you conceive it is in the power of any Molungee without difficulty to leave the manufacture of salt?—Certainly it is; but it is generally considered to be a very great punishment to be dismissed from the service.

3441. Are you not aware that an impression contrary to that statement prevails in this country?—I have heard it often mentioned.

29 April 1830.

The Hon. And. Ramsay.

3442. Do you know on what it is founded?—I conceive there is no foundation in truth whatever for it; for there is no class of people in the world better looked after, or more kindly treated, than the Molungees employed in the salt monopoly in India.

3443. Can you state at how much a maund the salt is produced; how much the East-India Company gives for it?—The price given by the East-India Company varies in different districts. In some parts the land produces more salt. For instance, in the Hidjelee agency, situated between Tumlook and the sea, the earth is, I believe, more deeply impregnated with salt than it is in the Tumlook district, consequently the price given was less; for the same reason, in the districts in my agency that were nearest the sea they received a less price than the one nearest Calcutta.

3444. In the district where it was most easily produced, how much was paid for it?—I think half a rupee a maund; and in the most northern district I think twelve or fourteen annas, which is very nearly double.

3445. So that the sale price is about near six to eight hundred per cent. on the cost price?—Very nearly that.

3446. What is the quality of the salt: is it refined?—No, it is not refined; it only undergoes one boiling.

3447. Is it to be compared to the salt eaten in this country?—I think it is very far superior.

3448. In what respects?—It is not so bitter as the English salt.

3449. Is it better than our refined salt?—I should think better than any European salt.

3450. Are the crystals large?—It is very fine; it is not in crystals at all.

3451. Is the Madras salt ever brought into the market at Calcutta?—It depends upon the quantity of the salt in Bengal; if there is not a sufficient quantity of salt produced in Bengal, government issues proclamations with the prices which will be given for the salt from the coast, and then ships touch at the different ports on the coast and bring the salt to Calcutta.

3452. Except when the salt produced under the monopoly is not sufficient to meet the amount advertised, the importation of Madras salt would be prohibited?—I conceive so.

3453. Can you give any information as to the price that Madras salt has produced?—No, I cannot.

3454. Is its quality inferior to that of Calcutta salt?—I believe it is inferior, and sells at a much lower price, though a much higher price is given by the Company than for their own.

3455. For what reason is it bought at a higher price by the Company?—To avoid disappointment by the natives, I conceive, from a smaller quantity being made than the supply of the country requires.

29 April 1830.

The Hon. And. Ramsay.

3456. Is much salt consumed by the natives?—They cannot live without it.

3457. Has any complaint been made to your knowledge of the quantity consumed by each individual?—I do not recollect exactly; I have heard it often; I never heard the natives complain of the monopoly of salt.

3458. Do you conceive that if they were permitted to manufacture salt, as you state, at a very low price, the consumption would be much increased?—No; I do not think it would.

3459. Can you state what the price of salt is in the interior, at any distance from Calcutta?—To the best of my recollection it may be stated to be five rupees a maund, that is, about 200 miles above Calcutta; I believe it is as dear in Calcutta; but then the natives who purchase the salt adulterate it very considerably after it leaves the Company's warehouses.

3460. Can you state at what price the salt imported from the north, and carried over the district, is able to compete in the market with the salt in Calcutta?—It is not, I believe, brought down in large quantities lower than the district of Benares, nor would it answer, I conceive, to carry the Calcutta salt higher than Benares.

3461. How far is Benares from Calcutta?—By land it is about 400 miles, and by water about 700.

3462. Can you state at what distance from Benares salt brought into competition with that from Calcutta is brought to it? —I cannot state exactly the distance.

3463. How are the countries not under the government of the Company supplied with salt?—There are vast quantities of salt produced in the western and northern part of India, but I do not know how they are regulated.

3464. Do you know at what price that is sold?—No, I have no idea.

3465. Is much salt illegally made, or smuggled in?—I believe every Molungee almost is in the habit of smuggling a little salt, which makes them so much attached to the business; and some Molungees I have known very rich men.

3466. What is the penalty on smuggling?—The penalties on smuggling were fine and imprisonment, but I believe it was very seldom inflicted. I do not remember having committed any person to prison for smuggling, for I considered, in some instances, the Molungees were not sufficiently paid for their salt. It (the low price) operates more against the Company them-

29 April 1830.

The Hon. And. Ramsay.

selves than as an oppression towards the natives who make the salt.

3467. Do you conceive it would be impossible to abolish the monopoly and substitute an excise duty on the manufacture, combined with a custom duty on the importation?—I think it would be very dangerous to do it; and it would require some time to prepare the natives for such an alteration.

3468. What do you foresee to be the difficulties?—That it might have an effect on the supplies of salt in the interior, and the difficulty of defining who should have the salt lands; they are possessed by Zemindars generally as their property, so that if the Company were to give up the monopoly, the land would fall into the possession of men who would have the sole power of making salt; and in the district where I was the lands were generally possessed by two people—the Rajah of Tumlook, and the Rajah of Mysadul. I paid a sum every month to those people of about five or six thousand rupees, as a remuneration for the lands that were appropriated to the salt manufacture.

3469. Do you conceive any other difficulty would arise to the imposition of such a duty than that of framing proper regulations?—The supply would be at first very uncertain; and as the natives do not complain of the monopoly, I conceive it would be a very dangerous experiment to try; the monopoly would fall into the hands of some persons.

3470. You say that salt might be manufactured anywhere? —Yes; but of course the earth produces very little, and the salt is not so good, and it would be only the poorest class of natives who would think of taking that trouble; probably it would be difficult for them to get a supply in time, if any sudden change was made in the monopoly.

3471. Do you ascribe the principal difficulty to the abruptness of the change rather than its being in the end nearly impracticable?—I do not think it is impracticable at all.

3472. Are the lands now occupied by the Company for the purposes of salt manufacture divided amongst a great number of proprietors?—I cannot answer that question without reference to records upon the subject. I believe every native Molungee who receives advances from the Company pays a salt rent for the land from which he is to manufacture the salt.

3473. How many salt agencies are there?—Seven or eight.

3474. Would there be greater danger of adulteration in the event of the monopoly of the Company ceasing?—I think there would be very great danger; it increases the danger if the manufacture rests with individuals.

3475. Is it a voluntary bargain on the part of the persons on whose lands the salt is made, or is the land assumed by the go-

29 April 1830.

The Hon. And. Ramsay.

vernment as an act of authority?—I cannot answer that question decidedly; there is a remuneration paid to the Zemindar by the salt agent; but it occurs to me that that is a remuneration for the right their ancestors held, and that the natives who manufacture the salt pay a revenue for the lands occupied by them for that manufacture.

3476. Is the amount of that revenue fixed by government?—I think the government have some means of checking any imposition.

3477. Can you state what was the number of the first purchasers of salt at the Company's sales?—I cannot.

3478. Are they persons of large capital?—They are generally considered as persons of large capital.

3479. Are they a numerous body?—I believe they are a very numerous body.

3480. Is there much competition?—I conceive them all to go together; that it is a sort of second monopoly, and that they receive a very small profit on a very large sum of money, which in the course of time makes them large capitalists.

3481. Are they natives?—Yes, they are natives.

3482. Do the first purchasers never sell the salt by retail?—I believe never.

3483. Are the persons who purchase the salt from them numerous?—There are a certain number from every district between Benares and Calcutta, salt merchants; people who trade in salt also trade in grain and all other edible commodities.

3484. The first purchasers purchase at the auction?—Yes.

3485. Are the second sales by private contract?—Those tuncas are sold at so much advance per cent.

3486. Can you state at how much per cent. in general?—I never had an opportunity of knowing.

3487. Do those persons whom you describe as the second monopolists agree together not to give more than a certain price, or do they bid against each other?—The impression upon my mind is, that they agree together what price they will give.

3488. What is there to prevent those who are now the second purchasers being the first purchasers?—I know no rule that prevents them; they might, if they had capital sufficient.

3489. Is the quantity in each lot so large as to deter them?—No, I do not think that it is; though one lot might be more than they would require.

3490. The lots are 5,000 maunds?—Yes, to the best of my recollection, they are either three or five thousand; I cannot recollect precisely which.

3491. Do you consider the situation of the Molungees as improved, compared to what it was some years ago?—Most certainly it is.

29 April 1830. —— *The Hon. And. Ramsay.*

3492. There were some courts of justice specially formed for their protection, were there not, some years back?—I do not know that any were; but new regulations were framed, and the government have always exercised great vigilance in every thing relating to the salt department.

3493. What were those measures of improvement by which their circumstances have been ameliorated?—They took place so many years before I was in the department, that I cannot satisfactorily answer that question; but it was in the time of the government of the Marquis of Wellesley the new arrangements were made; and I believe there was more corruption on the part of the Europeans than there is now, that the whole system was corrupt.

3494. Have you reason to think that, before this improvement took place, their situation was peculiarly unfavourable, as compared with that of the rest of the natives?—I should not suppose that their situation was particularly hard; for they participated, of course, in the corruption which existed throughout the whole department.

3495. Do you know whether any measures have been adopted with a view of making the employment less unhealthy than it used to be?—I conceive it impossible to do that, for it is the situation of the country which is unhealthy.

3496. You think the employment is now as unhealthy as it was twenty years ago?—Quite so.

3497. Were you concerned in the purchase of investments of indigo?—No, I never was.

3498. When you were resident in the interior, had you occasion to see the conduct of the indigo planters?—I have often seen the conduct of the indigo planters.

3499. Before they had permission to hold lands in their own names, in what manner did they obtain land for the purpose of cultivating indigo?—They obtained lands by farming the different zemindarries in the names of their servants, and they had just as much possession of the land before as any law or any Act of Parliament could give them.

3500. Did it appear to you that any practical inconveniences arose out of the former system of farming in the name of their servants?—I conceive very great inconvenience to arise from that.

3501. State what they were?—Various oppressions of the plan terstowards the natives.

3502. Of what nature were those oppressions?—Compelling them to sow a larger proportion of land with indigo than they would otherwise be inclined to do, and by taking their best lands.

3503. Did those oppressions arise out of the system; namely, the system to which they were forced to resort, by not being allowed to hold lands in their own names; or did they arise out

of the necessary connexion that was existing between them and the natives?—It arose out of the competition which takes place between indigo planter and indigo planter residing in the same district. 29 April 1830.

The Hon. And. Ramsay.

3504. When they forced the natives to apply their best lands, and a larger portion of the land than the natives desired, to the cultivation of indigo, whose power did they exercise?—The power of the Zemindar.

3505. Was it from the Zemindar they took the lease?—The Zemindar may rent his land to three or four people. The Zemindar lets it to what is called an Izardaar, or farmer; the Izardaar again to what is called a Durizzardar, or under-farmer; and each gets a considerable profit on the lands, and the natives are in consequence very much oppressed.

3506. Under that system were any measures adopted for preventing the lessor from delegating, or the indigo planter from exercising, power which did not belong to them by law?—I conceive the farmer stands exactly in the shoes of the Zemindar, and is bound by the same law which regulates his conduct towards the other parties.

3507. Are the rights of the Zemindar over the lands within his zemindarry in all circumstances ascertained, or do they vary in different parts of the country?—I believe they vary in different parts of the country.

3508. Before those leases were granted, were any means taken to ascertain the rights of the Zemindar in that particular zemindarry?—That I cannot answer.

3509. Do the indigo planters make in all cases advances to the cultivators?—I believe in almost all cases they do.

3510. What powers have they for the purpose of forcing the ryots to observe the conditions of the leases made with them?—They have no power, except that of resorting to the courts.

3511. Are there instances in which ryots have made agreements with more than one person for the produce of the same field?—I believe many instances; that it is an occurrence that happens daily in every part of Bengal.

3512. Does that lead to much litigation or violence?—It leads to great violence and great oppression.

3513. By whom is the oppression exercised?—By the different indigo planters and their servants.

3514. That is, in endeavouring to force the ryot to perform both obligations?—Yes; and in cutting the weed to which both parties conceive they have a right, violent affrays take place, and bloodshed and murder frequently occur.

3515. Do such violences occur oftener in parts of the country where there are not Europeans?—I believe not.

29 April 1830.

The Hon. And. Ramsay.

3516. Is it the fact that an individual is more disposed to take the law into his own hand, when he thinks he has no right?—I think so.

3517. Has the manufacture of indigo been improved by the indigo planters?—I have always understood it has been greatly improved within the last twenty years.

3518. What is the condition of the persons who act under them; are they in a comfortable situation?—Under a good master they are very comfortable, and under a bad one they are very much the reverse.

3519. Should you say that the condition of the ryots who labour for European indigo planters was generally better than that of other ryots?—I should say it was not better.

3520. Are they not equally well remunerated, or does the inferiority of their condition result from those occasional acts of violence?—Indigo is a very uncertain plant; the native is put to great expence in cultivating his field, and very often it yields nothing; and where the indigo planter who makes advances on the land is inclined to be oppressive, it leads to the most serious consequences to those individuals.

3521. Do you think that the measures adopted by the indigo planters lead to a more extensive cultivation of indigo than would take place if Europeans were not engaged in that article of commerce?—Yes.

3522. That is, that the indigo planters adopt measures for forcing the ryots to cultivate indigo, and that has led to more extensive cultivation of the plant?—The indigo planter farms the lands in the first instance, and that compels those persons either to sow a certain quantity of indigo, according to the quality of the land he possesses, or he deprives him altogether of his land, and turns him out.

3523. Has not the ryot in most parts of the country by law a right to cultivate his land in what manner he pleases?—Yes.

3524. That right is interfered with by the indigo planters?—Yes, it is.

3525. All that the ryot owes to the Zemindar is a certain portion of the produce of his land, whatever that portion may be?—No; the land pays a certain revenue to the person who holds the lands.

3526. He has entire liberty to cultivate the land as he pleases?—Yes.

3527. Provided he pays that fixed revenue, no one can displace him?—That was the intention of the Regulations.

3528. What remedy has the ryot, when thus forced to cultivate the land not according to his own wishes, but those of the indigo planter?—He has no other remedy than an appeal to the court.

29 April 1830.

The Hon. And. Ramsay.

3529. What chance has he of having that appeal heard?—I believe he has very little.

3530. What would it cost him to appeal to the court?—That I cannot answer; it is to the Zillah court that I refer.

3531. Do you mean to say that the cultivation of indigo is carried on on a general system of compulsion?—No, I am certain it is not; I am only alluding to a large proportion of planters in the lower parts of Bengal, where a number of low Europeans and half-castes are settled.

3532. The system of compulsion is in fact an abuse?—A great abuse.

3533. And it is confined to one district?—It is confined to the whole of Bengal.

3534. Is it general throughout Bengal?—It is now becoming more general every day. When I first knew Bengal, it was confined to the districts near Calcutta—Kisnagur and Jessore principally.

3535. Is the compulsory cultivation of indigo general throughout those districts?—I believe it is.

3536. And the perfect impotence of the law to protect the natives against it?—I believe it is; but I beg, in addition to those two districts, to add three or four more—Rajeshaye, Purneah, Malda, and Moorshadebad.

3537. Throughout those districts, is the condition of the ryot cultivating indigo materially worse than that of other ryots, speaking generally, otherwise than in the instance of a very bad master?—I speak in reference to the three or four districts I first mentioned merely from report; I speak of Moorshadebad and Malda from what I have myself seen.

3538. Of what date?—In 1824, 1825, and 1826; and I say decidedly that the state of the ryots in those districts is in a very deplorable condition, as compared with the other ryots in the same districts, who do not cultivate indigo.

3539. Can you state what number of Europeans are settled for the purpose of cultivating indigo?—No, I cannot.

3540. Can you state how much land is employed in the cultivation of indigo in the province of Bengal?—I cannot answer that question. I cultivated 100,000 begas myself. I believe there are two begas and a half to an acre.

3541. Does not the bega vary in size in different districts?—Very much.

3542. Then it would be about 40,000 acres you cultivated? Yes.

3543. Was that on your own private speculation?—Yes; another gentleman and myself.

29 April 1830.

The Hon. And. Ramsay.

3544. Is it generally a profitable speculation?—I found it so when indigo was only half the price it now is; and I believe it has been a very losing speculation since the price of indigo increased.

3545. How do you account for that?—The oppressions of the natives and the great competition existing amongst the mercantile people in India.

3546. Has the expence of cultivation increased?—Every thing connected with the manufacture of indigo has increased, and the seasons have been very unfavourable for many years past.

3547. Has the expence of producing indigo much increased? —Taking into consideration the failure of the seasons, it has been very much increased. For the last five or six years there has not been one good crop of indigo.

3548. Has a much greater quantity of land been applied to indigo cultivation?—I believe not; I believe the same lands; all the alluvial lands on the borders of the Ganges.

3549. Is the cultivation annually extending?—It is only an annual plant. In the Upper Provinces of India it is a triennial plant.

3550. Has more land been brought latterly into cultivation? —I believe latterly cultivation has increased to a great extent.

3551. The price, notwithstanding, has continued to increase? —It has.

3552. In the part of India where it is an annual cultivation, is indigo planted the second year on the same lands?—Yes; the lands, generally speaking, are overflown by the Ganges, and a sediment is deposited, which manures the lands; and if no inundation takes place, the next season is almost certainly a failure.

3553. That has been the case?—It has been the case for several years.

3554. Is the triennial indigo of a different quality from the other?—It was till lately. They found out within these few years that by boiling they can make it nearly as good as the Bengal indigo; but I believe it has never been considered quite so good.

3555. Is it grown exclusively on lands which are subject to inundation?—In Bengal it is generally sown on lands subject to inundation, and no person will sow any other lands if they can get those; but since the cultivation became so great, I believe lands that are not inundated are also sown with indigo.

3556. Is it an exhausting crop?—I should think it was, from the strength of the roots and the size of the roots.

3557. Do you know whether, in some parts of the country where indigo is grown, there is amongst the ryots' race an increased consumption of European manufacture as compared with

other districts where it is not grown?—No; I do not believe there is. 29 April 1830.

The Hon. And. Ramsay.

3558. What right of holding land is now given to an European planter?—I do not know what has taken place since I left India.

3559. Is the cultivation entirely in the hands of Europeans? —Not altogether; some of the natives have considerable factories.

3560. Is the indigo manufactured by natives as good as that manufactured by Europeans?—I believe not.

3561. During the period in which it was such a beneficial employment of capital to Europeans, do not you think the ryots shared at all in the advantages which arrived to the state?—I think they did. Till the cultivation took place in Bengal, I think the ryots were comparatively happy; I have heard them say so themselves.

3562. For some time after European capital was first invested in that employment, was not the situation of the ryot engaged in the cultivation considerably improved?—The introduction of that 'took place long before I went to Bengal, and I cannot give a satisfactory answer to that question.

3563. Do you think that it can be attended with great advantage to the European cultivator, without leading to some improvement in the circumstances of the ryot, as to wealth and increased comfort?—I think it might do so; but the effect it has had has generally been the reverse, I think, speaking from my own observation.

3564. Do you happen to know whether, in those districts in which indigo is grown, the collection of the land revenue has been facilitated?—I believe the collection of the land revenue in Bengal has always been effected without the least difficulty; but I have no doubt the introduction of indigo planters into the interior of India has of course circulated a much greater capital than would otherwise have been the case; but I believe there is no difficulty in collecting revenue in Bengal, because the provinces were assessed so much below what they might have been.

3565. Were you ever at Tirhoot, in Bahar?—I have been in that district, but never resided in it.

3566. Did you observe there an appearance of increased wealth among the ryots?—I believe there is no doubt that there is.

3567. Was there a considerable consumption European manufactures?—That I cannot speak to; I should think the natives employed in the cultivation of indigo make very little use of European manufactures of any kind.

29 April 1830.

The Hon. And. Ramsay.

3568. What was the condition of the ryots in that part occupied by yourself in the cultivation of indigo; was their situation comfortable or otherwise?—I can only speak from what I have heard from themselves, that they were comfortable, and that it was my interest to make them comfortable.

3569. Then the difficulties you speak of were obviated on your part where you resided?—There was not that competition at that time that existed in the other parts of the country.

3570. Those oppressions of the ryots have taken place since the great competition?—Chiefly; when I was concerned in indigo myself, I made a point of making the situation of the ryots as comfortable as possible.

3571. Might not those oppressions of which you have complained be easily obviated in other instances as they were in your own?—If the same conduct is observed to be followed up, it might be; but a very different class of persons have come into possession of the factories, country born half-castes, and one or two Europeans.

3572. As principals or as agents?—As principals.

3573. Did you reside at the place where your indigo plantation was carried on?—Yes, I did, about forty miles above Moorshedabad.

3574. Do persons who have taken those lands for the cultivation of indigo generally reside there?—They generally reside on the lands. In some cases the agents in Calcutta have a share in the factories, but not in all.

3575. Is there much difference in the situation of the ryot, whether it is conducted by the principal in person or by agents?—I should conceive not.

3576. What has led to this change in the description of persons who manage the indigo plantations?—The introduction of a greater number of Europeans of course has led to the change.

3577. Do those European indigo planters retire to England at a certain age?—Some of them do, if they can make the change.

3578. Do many of them remain in the country?—I believe very few who can quit it.

3579. Do their sons succeed them in the indigo plantation?—Very commonly they do.

3580. Do they marry?—Yes, sometimes.

3581. Where do they get their wives?—They marry the daughters of indigo planters, I suppose, or any body they can get.

3582. Is the race they leave a white race or a mixed race?—Both white and mixed.

29 April 1830.

The Hon. And. Ramsay.

3583. Do they divide their property amongst those persons of different colours?—That I do not know.

3584. Do you recollect any indigo plantation which has been for more than one generation in the hands of Europeans?—There has not been time enough for that since I was in India; but I believe it was considered so profitable a thing that many gentlemen came home, leaving their property in the hands of agents in India.

3585. Are those indigo plantations established by means of capital imported into India from England, or by means of capital borrowed from the agents at the Presidency?—Generally by capital borrowed from the agents at Calcutta.

3586. Are the persons to whom those plantations belong generally persons of substantial wealth themselves?—I believe a very small proportion are at all in comfortable circumstances.

3587. Have they not been considered as the agents of the agents in Calcutta?—In many cases they may be considered the servants or superintendents of their agents.

3588. How do those persons you have described first get established in the indigo plantations?—Through recommendations, I suppose, in many cases.

3589. Can a person who is in India go to any part of India he pleases, and follow any line of life he likes, without some leave from the government there?—None ought to do it; but no respectable man is ever refused leave, I believe, and many get leave who ought not to have leave.

3590. Have you heard of the failure of the house of Palmer and Company, at Calcutta?—Yes.

3591. Are you aware that that house was principally connected with indigo plantations?—I do not know, but I have heard they were.

3592. Do you mean to say, that among indigo planters there are not many respectable men?—I mean to say there are many very respectable men; men of the highest respectability.

3593. And men of capital?—Not many men of capital.

3594. What capital they have they have acquired in that country?—Yes; I never knew men with capital going out to India to establish an indigo plantation.

3595. Have not many of the disorders which have taken place in the indigo districts been occasioned by disputes about boundaries?—I believe that is the principal thing which creates disputes. Lands are thrown up by the Ganges, or great rivers, and each party claims those lands.

29 April 1830.

The Hon. And. Ramsay.

3596. Are not such disturbances rather to be imputed to the peculiarity of local circumstances than to any defective conduct or blameable conduct in the cultivator?—In some respects they proceed from local circumstances, certainly.

The witness is directed to withdraw.

Ordered, That this Committee be adjourned to Tuesday next, one o'clock.

PART X.

[18th MAY to 4th JUNE 1830.]

MINUTES OF EVIDENCE

TAKEN BEFORE

THE SELECT COMMITTEE

OF

THE HOUSE OF LORDS,

APPOINTED TO ENQUIRE INTO

THE PRESENT STATE OF THE AFFAIRS

OF

THE EAST-INDIA COMPANY,

AND INTO THE

TRADE BETWEEN GREAT BRITAIN, THE EAST-INDIES, AND CHINA,

AND TO REPORT TO THE HOUSE

LONDON:

PRINTED FOR PARBURY, ALLEN, AND CO., LEADENHALL STREET; AND J. M. RICHARDSON, CORNHILL.

1830.

LONDON:
Printed by J. L. Cox, Great Queen Street.

MINUTES OF EVIDENCE.

Die Martis, 18° *Maii* 1830.

The LORD PRESIDENT in the Chair.

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18 May 1830. — Dr. P. Kelly.

Dr. PATRICK KELLY is called in, and the correspondence and papers relating to samples of tea procured for the Foreign Office by His Majesty's Consuls are put into the hands of the witness, and he is directed to prepare a statement, showing the cost per pound of the samples of tea received by the Commissioners for the Affairs of India from His Majesty's Consuls, and the value affixed to the respective samples by the London tea brokers, converting foreign weights and monies into English weights and monies.

The witness is directed to withdraw.

Colonel JOHN BRIGGS is called in, and examined as follows:

Col J Briggs.

4013. In what situation have you been in India?—I have latterly held civil situations during the last nine or ten years.

4014. You were previously in the Company's army?—I was.

4015. You held for some time a situation in Candeish, did you not?—I did.

4016. What was the nature of the power confided in you?—The designation of the situation was that of Political Agent; I had the whole civil management of the country, as also the political controul.

4017. What may have been the population of the district under you?—I think it was about 460,000 persons.

4018. Was it in a very unsettled state when you went there?—It was in a very unsettled state, and had been so for the last thirty years previous to our taking possession of the country. It had been overrun by bands of freebooters; I believe there were at different times about eighty distinct bodies which had been in the habit of ravaging the country; this was the cause of its being very much depopulated. I think 1,100 out of, I believe, 2,700 villages, for I merely speak from recollection, were rendered desolate altogether; and those which remained were open to the pillages of a race of people denominated Bheels. These people are supposed by some to be the aborigines of the country; but they have been for a long period attached to villages as guardians or watchmen, with certain immunities in land and fees from the people themselves. The consequence of those ravages deprived the inhabitants of the means of supporting the Bheels, who went into the hills, and were in the

18 May 1830.

Col. J. Briggs.

habit of attacking the villages. In order to secure themselves from these assaults, the villagers procured the assistance of foreign soldiery, such as Arabs and Sindies, for their protection. Many villages, not able to do this, purchased the forbearance of the Bheels by the alienation of lands, or rather portions of the produce (a sort of black mail), which they gave to the Bheels to induce them to forbear their attacks. At the time we entered Candeish, the Arabs had gained very great influence and power in the villages, as well as the Bheels. The latter had inspired great terror by their proceedings, and it became necessary, of course, to restore order.

4019. In what manner did you proceed to tranquillize the country?—After having obtained partial possession of the country, we found several places in the occupation of the Arabs, who refused to give them up after the war had ceased, holding them on their own account. Measures were first taken to reduce the power of the Arabs; any arrears of pay or sums of money due to them, and to which they appeared to have legitimate rights, were inquired into and paid; and they were eventually sent out of the country. The Bheel chiefs were then to be dealt with. Those persons who had raised themselves to be heads of gangs were invited down by me from the hills; an examination was gone into of the claims they had on the villages for black mail, or whatever immunities they might have established; and, according to the nature of each case, a pension was allotted to the chiefs, and engagements made to induce their followers to return to those villages to which they originally belonged.

4020. Were those measures effectual?—They had the effect of breaking up the union that formerly existed among them, and enabled me afterwards to reduce those who reverted to their ancient practices, which it would not have been so practicable to have done if we had done it in the first instance, before we obtained that information. Their numbers, when I came into the country, amounted in the estimate to about 5,000 of this description; the number was probably exaggerated, throughout the country, under forty or fifty chiefs. In the course of four years, which was the whole time I was in the country, military operations were occasionally had recourse to at the season of the year when we could approach the hills, for the country was extremely unhealthy at times. When we had recourse to these measures we contrived to surround the Bheels, to cut off their supplies, and to cause them to surrender without any bloodshed. There were not, I think, above fifteen or twenty persons killed or wounded during the whole military operations; and when I came away there was one gang only that I recollect, of forty Bheels, in one particular district, whose chief had just been killed in an affray which had taken

18 May 1830.

Col. J. Briggs.

place with some inhabitants of the country passing through it, and this gang was still in the habit of pillaging the country. I do not recollect that there was any more united gangs than those forty persons. The rest of the Bheels returned to the villages, and became the village police.

4021. In what manner was justice administered, during this time, in the country?—Civil justice was administered by the people themselves, under the form of proceedings called punchayet. This is a sort of court of arbitration. When the parties themselves agreed to conform to this mode, the cause was decided by arbitration; but when the parties did not agree to adopt this plan, persons were appointed by the government to hold a court, the parties being previously required to abide by their decision before any proceedings were taken.

4022. Did they appear to be satisfied with that mode of administering justice?—It was the practice of former governments before us. I think they appeared very well satisfied.

4023. Was there any right of appeal to you?—Always. In all cases there was a right of appeal, not against the judgment of the court, but against corruption; for as the parties themselves agreed to abide by the decision, it was not thought right, in the absence of any expense attending it, to leave appeal too open.

4024. Were many appeals required in cases of corruption?—No; indeed, I do not recollect one case where a decree was reversed; nor can I, at this time, say that I recollect any case of investigation of the kind.

4025. It did not appear, therefore, that corruption had actually existed in the conduct of those civil causes?—Certainly not, from the nature of the conduct of the parties.

4026. In what manner was criminal justice administered?—When I first went into the country I misapprehended the instructions I had received, and fell into the practice of trying all criminal cases for upwards of two years by a jury. The system was subsequently altered by the Bombay government, when Candeish was placed under its authority. The jury was composed principally of landholders and influential men in the country, who had to decide upon the fact, while the native law officers, who sat on the bench, promulgated the law, and I then passed sentence according to my own judgment and in accordance to the nature of the sentence awarded by the native law officers. This was sometimes not consistent with our notions of the administration of justice, such as mutilation, or other modes of punishment, and it was not thought proper therefore to adopt it.

4027. In such cases you commuted the punishment?—Yes; entering at the same time on the proceedings what the native

18 May 1830. — Col. J. Briggs.

law officers had promulgated as law. Those proceedings were then sent up to government; and they were not carried into effect, in cases of life and death, until confirmed by the head of the government, for Candeish was then under the sole commission of Mr. Elphinstone.

4028. Who examined the witnesses in this court?—The witnesses were examined by the jury as well as by the Judge. The jury were competent to put any questions they chose, and I found them exceedingly useful in eliciting evidence that it would have been impossible for me, as an European, to understand the bearing of.

4029. How were the jury selected?—There were selected from the landholders and other persons of influence.

4030. By whom were they selected?—By myself; a great number of names were sent in, and I selected a number from them.

4031. Did you understand the language in which the proceedings were carried on?—I believe as perfectly as a European can be supposed to do.

4032. Did the jury appear to take a great interest in the investigation of the truth?—The jury took a great interest in the investigation of the truth, and it appeared to me an exceedingly proper mode of administering justice; its effect was very good indeed.

4033. Was it new to the country, and introduced by you?—The trial by jury was quite new, inasmuch as there had been a series of anarchy for thirty years before; I do not think the system is quite new among the natives of India, under good administration. Criminal justice by a sort of juries I think frequently prevails under the best native governments, and in fact it does so under the government of Sattarah. There are always three or four assessors on the bench, so that, though not a jury, there are always several voices in the administration of criminal justice.

4034. Did the people appear to be satisfied with that administration of justice?—I apprehend that they were quite satisfied.

4035. Was any change subsequently introduced into the mode of administering justice?—The system of jury was abolished, and the whole onus of the subsequent investigation lay upon me as the Judge of the court.

4036. Did the people appear to be equally well satisfied with that mode of administering justice?—They made no complaint of it.

4037. Were you yourself equally satisfied?—Certainly not.

4038. You felt that a very great responsibility was thrown

18 May 1830.

Col. J. Briggs.

upon you?—Yes, I felt too heavy a responsibility; I can mention one particular case which will elucidate this subject. There was an instance in a remote part of the country, where a great land proprietor, and a man who had extensive influence and possessions, was said to have put his wife to death. The circumstance was reported to the chief native authority, who required him to appear before him, to account for his conduct. This was a proceeding to which men of his station had not been accustomed under their own government. He refused therefore to go; and on that evening, in a state of intoxication, he, together with his brother and several others, in passing through the town on horseback, attacked the individual who gave the information and killed him. The murderer then went off to the hills in the neighbourhood, and raised a party of followers, for his protection probably as much as any thing else, but it was supposed for the purpose of attacking the legitimate authorities. I immediately moved a body of troops against him; but perceiving, from the reports I had from the local officers, that he was not very popular, I thought it better, instead of carrying the measure so far as to go to war, to procure his seizure. I offered a reward, therefore, of one hundred or two hundred pounds for the seizure of the principal persons engaged in this insurrection. In the course of a fortnight, without any other military operations, the two brothers were brought in to the officer commanding the detachment. Depositions of the whole case were taken, and the parties were sent in to be tried on the spot. They were tried by jury. The jury discriminated between the guilt of the elder brother, who had actually committed the murder, and his younger brother, who was only present, but went off with him into the hills. They found the elder brother guilty of murder, and he was executed on the spot where the crime was committed. In respect to the younger brother, they acquitted him either of being accessary to the murder, of which there were no proofs that he had been a party, though he was present, but there was no proof of his being an accomplice, nor was any evidence adduced that he had been at the head of any particular party in attacking the government. It was only proved that he, with the rest of the family, had gone off with his brother. The jury declared, that, according to the practice of a native government, it was exceedingly likely that not only his brother, but the whole of the murderer's family, women and children, would have been seized had they not gone off together, and that the younger brother therefore was no more guilty than the other parties; that although he was an adherent, and might have been engaged in the insurrection, it did not appear that he had been guilty of any overt act, and, in consequence, they considered that, although his intentions might have been bad, there were no proofs of it; and they acquitted him accordingly, in spite of

18 May 1830.

Col. J. Briggs.

any thing I could say; for I considered that having gone off with his brother, and being known to be with the body engaged in insurrection, he was guilty as well as his brother, though in a less degree. The acquitted chief was afterwards reinstated in all the family estates, and continues, I believe, a good and respectable subject.

4039. Did the juries usually evince the same discrimination in the shade of guilt of the persons brought before them?—I think usually. The person just mentioned was a landholder of rank, as well as the persons who tried him; and he was one of their peers in every respect.

4040. What police force had you for the purpose of reducing the country to order?—We had a very large establishment called Sebundies, a sort of local militia; they could hardly be considered police. I consider the police of the country those that belong to villages; the local militia had little or no local information, and only went where they were sent by the civil authorities. I relied chiefly upon the village police for the preservation of the tranquillity of the country.

4041. Was the village police efficient?—The village police were very efficient, particularly when the Bheels came in.

4042. What number of sebundies had you?—I cannot answer that question; I think there were at first two or three thousand, and latterly only about eight hundred.

4043. What regular military force was there in the country?—The military force in the cantonments of Maligaum consisted of an European regiment, two battalions of native infantry, and some artillery.

4044. Was it necessary to employ a large portion of that force in reducing the Bheels, and bringing the country into a state of tranquillity?—The force was never employed in actual military operations, except in the reduction of the town of Amulneer, after the peace; but they were frequently employed in surrounding and embracing the haunts of the Bheels, in order to reduce them to subjection. On these occasions, the orders the officers received were not to fire upon them, if they could possibly take them. They were mostly armed with bows and arrows; they were found to be a very contemptible enemy; and, for the purpose of sparing bloodshed, they were not fired upon.

4045. In what manner was the revenue administration of the country carried on?—The principal sources of revenue, as your Lordships are aware, is from the land. A settlement was made with villages, in the first instance, and the villages afterwards distributed the assessment among the inhabitants.

4046. In what manner was the amount of revenue assessed in each village distributed, showing what each had to pay?—

An average was taken of the actual collections of ten years, which was supposed to be the amount each village was calculated to yield. My instructions were to adopt the ryotwarry system, which had been adopted by Sir Thomas Munro in the Madras provinces; but there was a measure necessarily connected with the ryotwarry system which it was not possible for me to carry into effect. It was necessary, in the first instance, to ascertain by measurement the extent of the lands, and afterwards to assess each field. The cultivated land was, however, measured three successive years during the time I had charge of Candeish, and the assessments were made by the villagers themselves, the whole amount being fixed at the average of that which the lands had produced for ten years.

4047. In that settlement who negociated on the part of the village?—The legitimate heads of villages. They are in that part of the country denominated Potails. It was through them that the village carried on its communication. They are, in fact, the hereditary chiefs of the villages.

4048. Did not the principal people appear to submit quietly to whatever arrangement the Potails entered into for them?—Yes, they usually appeared satisfied with the arrangements before they were definitive.

4049. Did the Potails remonstrate against the settlement on the average of the ten years preceding?—Neither they nor the people remonstrated at first, for this settlement bore such a strong contrast to the manner in which they had been treated before, that they were exceedingly glad of any measure that had the appearance of justice and moderation. They subsequently complained very much of the average of ten years being taken, in consequence of the great difference which took place in three years in the rise and fall of produce. The assessment being made in money, it became heavy the moment the price of grain fell. When I went into the country, the common grain of the country sold at about four shillings a bushel; when I left the country in four years, such had been the increase of cultivation and the little demand, probably from the absence of cavalry and other circumstances, that the same grain had fallen off to sixteen pence a bushel; it was quite impossible, therefore, that the villages could pay the same amount in money the fourth year as they had done in the first year. The revenues of Candeish consequently fell off very much, though the cultivation did not; and I have reason to believe that they have fallen off much more since, and have never recovered.

4050. When the Potails had agreed with the government what the village was to pay, in what manner did they assess the individual payers?—They assessed them according to the quantity of land each individual cultivated, and according to the

nature of that land, as well as with regard to its productive qualities as also with reference to its proximity to the village, and other circumstances.

4051. Did that assessment of the individual payers vary from year to year?—It did vary from year to year. I endeavoured to fix it, but it was changed annually in every village by the people themselves; and I found it impossible to carry into effect any permanent money assessment of the land; and I believe it is impossible to render it so where the assessment forms so very large a proportion of the produce as our assessment does.

4052. If any individual payer felt aggrieved, had he any power of appealing against the Potail's decision?—Yes. Eight or ten villages were under charge of a junior civil officer; he might appeal to him, and from him he might appeal to the head of the district, and from the head of the district to me.

4053. How many assistants had you when you were first sent to that country?—I had only one assistant at first. I had subsequently a second assistant sent up, for the purpose of examining the rights of certain individuals to exemption from payment of the land-tax. The orders of government required me to do it, and I thought it ought to be investigated, but stated my inability to go into a matter of so important a nature. I thought it necessary, therefore, to have an additional assistant. That gentleman joined me, and after being six or seven months in the country he died. I had subsequently two more assistants sent up, and after that some more were sent up.

4054. Did you find you went on as well with one as with three or four more?—Yes. For the young men who joined me were not of much use; they were rather sent up to learn than to perform any important duties.

4055. Have you any means of calculating the general expence of the government of that district?—I think it is on record the proportion that the civil and judicial expences bear to the whole amount of the revenue, but I do not recollect the amount.

4056. What was the receipt of the revenue from the district?—It produced between seventeen and eighteen lacs of land revenue the first year; and in the fourth year, when I went away, I made the settlement eleven lacs only, in consequence of the variation in the price of grain. I understood it fell off subsequently to as low as six lacs.

4057. If, therefore, in that country, or in others similarly situated, there appears to be a falling-off in the revenue, the Committee are not from that circumstance to imagine that the country is deteriorated in cultivation, or that the people are in a worse state than when they paid more?—We are always desirous of keeping up the revenue as much as possible; therefore I think that, though not able to realize the whole amount, we

press so much upon the inhabitants it must lead eventually to the falling off of cultivation. 18 May 1830.

Col. J. Briggs.

4058. In this case, if the revenue had been paid in kind in the last of those four years, the receipt in kind would have been greater than in the first year, when the amount in money was higher?—Certainly, there would have been much more grain yielded to government than in the first year.

4059. And the country appeared to improve in prosperity, notwithstanding the falling-off in the revenue?—I think very much, for a vast number of villages, which had been deserted before, were repopulated.

4060. That prosperity would only be checked by attempting to obtain the same revenue in money from the country in which the price of grain had fallen so much since the revenue was first assessed?—Just so.

4061. What was the proportion of the produce required to be paid to the government at the two periods you have spoken of?—Really I cannot state what was the exact proportion; my instructions were to realize a certain sum of money equivalent to the average of ten years' former collections. I believe that latterly the assessment must have taken at least one-third, probably more; it is assumed that under the native government they are in the habit of taking a half.

4062. Do you mean one-third of the gross produce?—Yes; here is a document which I beg leave to read. It is "An Account of actual collections under the Nabob of Arcot's government, realized from the village of Utramalur, in the Province of Arcot, in the year 1742, derived from the Village Books." This was published in the Asiatic Journal; there is not the least doubt, I believe, of its correctness. The produce of this township being rice, chiefly raised by irrigation from a tank built and repaired at the government expence, it claimed to share half of the crop with the cultivators.

Total produce 71,914 cullums of 4½ bushels, at one pagoda per cullum, is, say		71,914
Alienated in tythes, payments made to village and district officers, and for sundry village expences	13,760	
Alienated to strangers by government	4,368	
Payable in fees to village officers	3,071	
		21,199
Balance to be divided		50,715
Paid to Government, A.D. 1742		25,141
Remainder to cultivators	25,141	
Surplus balance to village	433	
		25,574
		50,715

18 May 1830.

Col. J. Briggs.

One-third of the produce is first cut off from the gross produce, leaving two-thirds to be divided. Actually paid to government 25,141 pagodas, leaving a balance of 433 pagodas in favour of the village, more than half. The land being cultivated by irrigation from the tank, which was kept up at the expence of government, and a certain portion of capital being thus vested by government in the cultivation, the government has in consequence a right to derive some advantage directly from that vesting of capital. The practice, however, was only to take one-sixth of the produce of land not cultivated by irrigation. Had the village of Utramalur been cultivated without the artificial aid of water, and the government only have claimed one-sixth, the following would have been the relative proportions:—

Total produce as above		71,914
Alienations to village and district officers	13,760	
To strangers	4,368	
Fees to village officers	3,071	
		21,199
Balance		50,719
Government tax, being one-sixth		8,453$\frac{2}{3}$
Balance to village		42,285$\frac{1}{3}$
Total		50,719

A village under the British government, in the latter case, would be assessed, according to the most moderate ryotwar system, in money, at thirty or forty per cent. of the produce of each separate field; and such an assessment is, I believe, actually in progress now in the Deccan.

4063. That is a greater proportion?—Certainly; by the difference between one-sixth and thirty or forty per cent.

4064. Was the proportion of rent which you, under the direction of government, obtained in Candeish, the same as had been previously obtained by the native government?—During the last thirty years there has been no rule. The districts were put up for contract, as tolls are in this country, by the native government; the person who bade highest had the district made over to him; the person who got charge of the district was to get the revenue in the best way he could. It frequently happened, before the year was up, the same district was put up and sold to another person; and there was a contest between the two contractors which should realize the money.

4065. That system was an innovation?—Certainly.

4066. What was the proportion on the more ancient system?—In that part of India the system of taking any proportion of the produce has long been abandoned; but the principle on

which the ancient native government always administered the country, and realized the revenue, was by taking a certain portion of the produce, and then converting that produce into money, which varied every year. We seem to have overlooked this principle, and to have fixed the revenue in money, which in fact is the most variable impost which can be put on the land, when it comes to be so onerous as to embrace the whole rent. Rent of land must vary according to circumstances. 18 May 1830. *Col. J. Briggs.*

4067. Does our system, as now administered, leave less to the cultivator than the ancient system of the native government? —Certainly.

4068. Is not that the case in some years and not in others, according as the price varies?—It may be so, certainly.

4069. If the price should rise, more would be left to the cultivator than under the former system?—Yes; if it were an assessment in rent, it would be possible to realize it, but an assessment on the whole produce must necessarily be fluctuating.

4070. Do you consider the assessment as now regulated too high, or moderate?—I consider the assessment, as now regulated, a great deal too high; and I consider that the principle of the assessment has been entirely abandoned.

4071. So high as to impede the progressive prosperity of the country?—So high as to prevent the existence of landed property in most cases.

4072. Had you any opportunity of seeing the effect of the ryotwarry system?—I was instructed to carry into effect the ryotwarry system, but I found I could not do it.

4073. Is it your opinion that it would be impossible to apply, in India, any one system of collecting land revenue universally? —Yes, I think it would be quite possible, and quite practicable, to introduce a system of assessing whole villages, and allowing whole villages and communities to assess themselves; and I think it is likely such an assessment would be permanent, if we gave up to the inhabitants of the country the waste land, which the government now claim, I think unjustly, to themselves.

4074. Do you mean, in this answer, an assessment in money or an assessment in produce?—An assessment in money.

4075. Could you effect any such settlement where the village constitution had been entirely destroyed?—I think there are in every village in India the ingredients for such a settlement among the people themselves. I think the village communities and the corporations still exist. In the work I have written on the subject, I have asserted nothing from my own experience, but have quoted from others who have written on the subject; and it appears to me that those village corporations and communities do exist in every part.

18 May 1830.

Col. J. Briggs.

4076. Do they exist in Bengal?—Yes; it is stated by Sir Edward Colebrook, Mr. Fortescue, and others.

4077. Have they not been destroyed by the zemindarry settlement?—Yes; I ought to have excepted that. I understand that the zemindarry settlement Lord Cornwallis introduced in 1793 has had the effect very much of breaking up village communities, though not altogether of destroying their internal constitution.

4078. Would not a ryotwarry settlement in a short time equally destroy the village communities?—I think it would. I find in all villages three classes of cultivators: one cultivator, who has a right of selling his land and of paying a certain fixed sum to government; another cultivator, who has not a right of selling his land, but a right of occupancy *ad infinitum*, so long as he pays a certain sum to government, and a certain portion also in fees to the first description of cultivators; there is also a third cultivator, who comes from other villages, and cultivates, by agreement, from year to year. Those persons have quite distinct rights; and I think any ryotwarry settlement which gave to all classes the same rights would be doing injustice to other parties.

4079. Where such a variety of rights exist in the village, would it not be very inconvenient for an European to obtain a lease of any large portion of land thus circumstanced?—I do not know how any Europeans could occupy lands in India, unless the government were to give up the waste lands, which they now claim under the zemindarry settlement, or in places where zemindarry settlements have been made, and the whole of the land has been made over to the Zemindars as proprietors, in the permanent settlement of Bengal.

4080. Do you conceive it would be possible for either of the classes of cultivators you have alluded to to lease to any others?—No. I think lands might be leased to Europeans or any other persons, provided they took them piecemeal; but the assessment is now so onerous, it leaves no landlord's rent.

4081. The land is now almost infinitely subdivided among those small proprietors?—Yes; but as the whole land belongs to the village community, the hereditary rights of individuals continue, I think, for a longer period than entails in England.

4082. But the same right that any proprietor would have, as you describe, to sell his property to another, would enable him to let that property?—Certainly, if the assessment were low enough.

4083. There would be no difficulty arising from the different nature of the cultivation?—None whatever; the only difficulty is that we require to make the assessment lighter, to leave a surplus as a landlord's rent.

4084. In most parts of India, if a man were desirous of obtaining on a lease 500 acres, must he not have leases from two or three hundred proprietors, all possessing different rights?—In many parts of India I think he would be able to obtain it from the village as a corporation altogether, as a community; certainly it would be necessary for the whole of those persons to agree to give up their rights in the particular portions of land belonging to them, but the agreement would be made essentially by the whole village.

4085. The villagers would stand in the degree of landlords, and at the same time of labourers to their own tenant?—If the person who occupied the land were to employ them as the cultivators, certainly.

4086. If he did not, what would become of them?—They could not part with the land to another, if they were not able to derive any advantage from it themselves.

4087. If they did not remain on the land, how could they obtain the rent from the person to whom they let it, or how could they exist, having no other subsistence than the rent they received?—If the land was rented of them they would receive the rent, and that would be the means of their subsistence; it would not be a necessary consequence that they should continue to be cultivators, if they had a surplus rent.

4088. You state that there is no surplus rent?—At present, where there is no surplus rent, such a state of things cannot exist.

4089. Are there any individuals who possess in their own right any considerable portion of land?—Certainly; a great number of individuals possess lands in Candeish, where the rights of the ancient freeholders have been usurped; some possess lands which they hold exempt from payment to the government; those lands they let to other persons. I myself, by way of experiment, occupied fifty or sixty acres of land, and paid a rent for it, and kept the accounts.

4090. Did you hold that from one individual?—Yes.

4091. Had he more land of the same kind that he could have let?—I believe that I rented the whole of his hereditary estate.

4092. How did you cultivate it?—Through the agency of the natives; I had a native bailiff under me, who managed the concern.

4093. Just as you would have managed sixty acres in England?—Yes.

4094. Paying the labourers weekly wages?—Paying the labourers monthly wages.

4095. Did you find any disinclination on their part to be so employed?—None whatever.

18 May 1830.

Col. J. Briggs.

4096. Is it not a common occurrence for various individuals to have different rights upon the same piece of land?—Yes; a person who is a proprietor in some parts of the country sometimes sublets his land. In the provinces of Madras it is very common, where the rents are not very onerous. There he sublets to another person, who pays him a very small fee as a sort of landlord's rent, and pays the assessment of the government; therefore in those two cultivators there is an essential difference, one is the proprietor and the other a copyhold tenant.

4097. Where was it you occupied this land?—I had sixty acres in the vicinity of Sattarah.

4098. Supposing that you had wished to occupy a larger extent of land, could you have obtained it there?—Yes, certainly.

4099. There were individuals who held land in such a way as to be able to let it to you?—Yes; my landlord was a person of family which had been reduced. The land had lain fallow for a long time, and he was in the habit of letting it to the Potail of his village, who gave him little or nothing for it. I was anxious to get some land of this particular tenure, that I might ascertain the portion of produce I could have afforded to pay to government as a cultivator.

4100. How much could you have afforded to pay?—I think the surplus average profit of three years was about twenty-five per cent., which was all. I had to pay to the landlord his rent, and what I should have had to pay to the government, but the government would have taken a much larger sum than I paid to him.

4101. What was the government demand upon that land?—The government demand upon that land, I think, would have been about three or four rupees a bega.

4102. What proportion of the gross produce?—It would have been nearly half the gross produce.

4103. You paid twenty-five per cent. of the gross produce to the landlord?—That was all the surplus I had to enable me to pay the landlord.

4104. That twenty-five per cent. pays for the expences of cultivation?—No; I did not pay so much as twenty-five per cent. to the landlord; I think, not above twenty per cent. About twenty-five per cent. was the profit, after deducting the expence of cultivation. If I had had to pay the tithes and taxes, village expences, and so on, I should have been ruined; I should not have been able to pay the landlord what I did. But I had but little time to attend to it, and I did not understand the nature of agriculture much. To have continued it, I suppose, would have been a very losing concern.

4105. Was your profit only the difference between the twenty-five per cent. and what you paid to the landlord?—Yes; twenty-five per cent. included what I paid to the landlord; it was what remained after paying the expences of cultivation.

4106. Did you pay any thing to government?—No.

4107. You paid no village dues?—No.

4108. Therefore the result of your experience was, that being relieved from government and village taxes you had but twenty-five per cent. left to pay rent?—Yes; just so.

4109. What would have been your loss upon the speculation, if you had paid the government tax and the village dues?—I could not have paid the landlord any rent if I had had to pay the government tax and village dues.

4110. What would have been the loss if you had been called upon to do so?—Possibly ten or twelve per cent., or probably more. If the government had taken one-half, the loss would have been very considerable. I must have abandoned the experiment altogether.

4111. Have you observed any marked preference in the native cultivator for one mode or principle of assessment rather than another?—I think they prefer the assessment I made in Candeish; the assessment of the village, and allowing the people to manage their own concerns.

4112. Who paid the revenue to the government when a village was assessed?—It was paid through the agency of the potail, who collected, and sent it by one of the village servants to the head man of some greater division of eight or ten villages, and he sent it to the head of the district. It was collected monthly, and sent to my treasury.

4113. Was there any considerable expence of collection?—There was no considerable expence in the collection of the revenue, nor any permanent servant sent round to individuals for the money. The revenue was collected by the potail, through the agency of village servants.

4114. In default of payment by the potail, how could you obtain the revenue?—I must have ascertained what particular individuals had failed in making their payment, and must have distrained their property.

4115. Did it happen that you were called upon to do so on any particular occasion?—On some occasions, I was obliged to do so, but not on many. The principle of the administration was to be very lenient; and whenever I recommended that remissions should be made, and stated it to be impossible that the people could pay, the remissions were given.

4116. Had you any opportunity of learning the mode of administering the government under a native prince?—I have re-

18 May 1830.

Col. J. Briggs.

sided, during the greater part of the time I was in India, in the territories of several native princes, and have had opportunities of conversing with the people. After the battle of Mehidpoor I was for a short time in charge of the conquered districts of Holkar in Malwa, and I was for four years at Sattarah.

4117. Was the district of Sattarah conducted entirely in the native mode?—Certain regulations had been introduced under the orders of Mr. Elphinstone, by my predecessor, Mr. Grant Duff. Those regulations were framed on the native system, with very little alteration on our part; and I think, therefore, I may say, that the administration of the government of Sattarah, as it now exists, may be deemed a good specimen of the management of a native government.

4118. Have the goodness to describe that mode of management, distinguishing the judicial from the revenue administration?—The country is divided into districts, each yielding from a lac to 1,50,000 rupees, containing from one hundred and fifty to two and even three hundred villages. Over this district is an officer, called a Subahdar. That district is then subdivided amongst a great number of other junior officers, each having from six or eight to twenty villages under his charge. The whole civil and judicial business is conducted through those officers, each village having its own native institutions prescribed to them. The village institutions are so well known, as stated both in the Fifth Report and in my work, that it is perhaps unnecessary to go into a detail of them.

4119. Then the same officers possess revenue and judicial power?—Yes. In the collection of revenue the settlement is made with villages by the subahdar and the junior district officers together, usually under the superintendence of the Rajah himself, who makes a tour every year for that purpose.

4120. In what manner is the annual assessment fixed?—It is fixed with reference to the sum yielded in former years. In that part of the country (Sattarah) there has been an ancient permanent assessment of lands, which is recognized; the lands which are cultivated every year are assessed in that sum; each particular bit of land is assessed according to the rates of different villages. Lands which lie waste are excluded from the amount of annual settlement. Lands which are only lately brought into cultivation, or brought into cultivation according to a certain agreement, in an increased ratio, until they have been cultivated for seven years, pay accordingly; when at the end of the term, they pay the whole amount of that which is considered the full assessment.

4121. The assessment varies every year?—Yes, the assessment varies every year.

4122. Did it appear to you that injustice was practised by

those native officers in the assessment of the revenue on the villages?—No, I think not. I think that the villagers themselves, where the assessment was left entirely to them, managed to satisfy each other. No doubt there were partialities to certain individuals, but I think that in this respect we are very apt, in going into those investigations, to confound the rights I have so often alluded to, of the different descriptions of cultivators. In Sattarah the people appeared to be satisfied with the arrangements, when the distribution of the assessment was made amongst themselves.

4123. Was the revenue paid in kind or in money?—Always in money.

4124. Was it lower generally than the assessment in our provinces?—I think not; I think much the same; but the country was falling off; and one year particularly, when there was a great drought, and there ought to have been a very large remission, I was unable to induce the Rajah to consent to that remission. The consequence was, the occupants left the country, and did not return for two years; whereas, under the government of the Putwurdhun chiefs they relinquished the land tax almost entirely in that year; and in the next year the cultivators were all present, and paid very largely, while in the subsequent year the Rajah hardly got any revenues.

4125. Did the Putwurdhuns exact the arrears of the former year?—No, I think not.

4126. Was the punchayet used in the district of Sattarah?—The punchayet was the only mode of administering justice.

4127. Were you ever in the territories of Khota or Bhopaul?—No, I was not. On the subject of the administration of the punchayet under the native government, I shall be able, perhaps, better to explain the native system if I read some notes I have made upon that subject. It appears to me, from all my inquiries, that there were several courts: first, the village court, in which the potail and the inhabitants of the village decided all cases by arbitration; all cases that had reference to the inhabitants of the same village. From this court an appeal lay to a certain district officer, which in the Mahratta country is called Desmook, recognized in all parts of the country as the district officer. From the Desmook appeals lay to the Subahdar, and eventually to the sovereign.

4128. In each case was there the use of the punchayet?—Not in appeal cases. The following is the mode of proceeding in these courts. Before a plaintiff can have his cause inquired into, he is obliged to give security to prosecute and to make out his case, on pain of fine or fee. The defendant is then obliged either to satisfy the plaintiff, or to give security for the amount sued for. If the cause is to be litigated, the plaintiff and defendant are bound over to appear on a certain day, in

18 May 1830. Col. J. Briggs.

failure of which judgment should go by default. It frequently occurs that the parties join issue on a particular point, on which the cause rests, and is decided. The award being given, both parties are required to give security for fulfilment before the proceedings are closed; and if the defendant be required to pay a certain sum of money, it was necessary for him to give security for it. In these proceedings all witnesses are examined *vivâ voce*, and all testimony is taken down in writing, for the facility of appeals.

4129. Are there persons in the inferior courts generally capable of taking the evidence in writing?—Yes, always. It usually happens that most of the members can write. The proceedings are all taken down in writing; not only the person signs his name as the person who has written out the proceedings, but two witnesses are also necessary. In conclusion, all the members of the punchayet are required to write that they have come to this decision.

4130. To what extent is the knowledge of reading and writing carried among the natives of India?—It extends universally among the Brahmins, shopkeepers, and merchants; not very generally, I think, among the other classes; but there is no instance of a Brahmin or shopkeeper who cannot read and write.

4131 Are there schools maintained by themselves in almost every village?—Yes; some schoolmasters were sent up from the college of Bombay to the Rajah of Sattarah. They had been educated in certain elementary schools at Bombay. The Rajah would not receive them; he said they were not persons that would answer his purpose at all; he said he had plenty of schools: and in the small town of Sattarah, where the population did not exceed 10,000 persons, I was surprised to find that there were forty schools; in Candeish and in the Deccan generally, schools are common; and all Brahmins, the sons of bankers and the sons of all shopkeepers, or any persons who have any thing to do with business, are taught reading, writing, and accounts.

4132. Were all the persons returned to you to serve on juries persons capable of reading?—I admitted only those capable of reading and writing to serve on juries.

4133. What sort of proportion of the persons returned to you did you find capable of reading and writing?—All those that were returned to me were capable; I required them all to be persons of that description.

4134. Have you any doubt of a perfectly adequate supply of persons of that description being found?—No, I think not; if it be desirable to adopt the system of juries in India, there are certain classes of people who, I think, should be bound to serve,

18 May 1830.

Col. J. Briggs.

such as persons who have immunities in lands and other special privileges, which they receive from our government, for doing in fact nothing, though they had claims on their services under the native governments. Such persons, I conceive, should be compelled to serve on juries.

4135. What is the origin of those immunities?—They have been granted by former governments for services performed or to be performed, and for the support of temples and buildings which have fallen into ruins, or for the support of offices which have not been kept up.

4136. You said you appointed the jurors out of the number of persons returned to you; do you think that mode is as satisfactory to the people as if the jurors were selected by lot?—I think it would not be so satisfactory as a system.

4137. Is waste land of the different villages considered under the native government as belonging to the community of the village, or to the government?—In the Mahratta country, under the Peishwa, it was commonly considered as belonging to the government. In some parts of the Peninsula, it is believed to belong to the village communities. I think in the Carnatic it has been shown, by the Minutes of the Madras Board of Revenue, that the waste lands belong to the village communities; and I have no doubt, under the ancient Hindoo government, that was the case; but in a country that has been for the most part conquered for 600 years by the Mohamedans, very few of such privileges have been allowed to remain. The further we go south, where the Mohamedans did not conquer, we find the Hindoo institutions and the rights of landed property more perfect.

4138. Are the cultivators of the village bound down by any particular mode of cultivating the lands in that particular village, or does each cultivate as he chooses?—It depends upon the nature of the land. Where the lands are cultivated by irrigation, the whole land is considered as belonging to the community; and they draw lots for certain portions, part of which each cultivates.

4139. Each individual does not cultivate the same land in each particular year?—No, not in those villages where the whole is distributed annually. I find this prevails in Italy, and also in Egypt, where the practice of irrigation extends very generally; for it is impossible to say how much water can be afforded to each field. It therefore becomes necessary to allot fields to individuals according to the proportion of water which can be allotted to them. This seems to be the cause of the distribution of lands annually to individuals. This practice, I believe, does not prevail in dry lands, where the same cause does not exist. There they cultivate the same lands annually.

4140. Are there any rights similar to those existing on our

18 May 1830.

Col. J. Briggs.

common field lands; any right of pasture?—Yes; I think that extends throughout India. It has been particularly explained by the Board of Revenue of Madras how those rights extend, not only to the mere pasture, but to the whole of that part of the common which the village possesses. That right is called Gutcool, and is adverted to by Mr. Elphinstone and Mr. Chaplin in their reports. In the Deccan those rights are very frequently sold. With regard to the right of grazing over the common lands of the village, the villagers will not allow the cattle of other villages to graze there.

4141. Are the waste lands included in the village valuation, or is there an extra valuation?—They are included in the valuation.

4142. In the territory of Sattarah, does the government claim the waste lands or not?—The government, I believe, claims the waste lands in all those countries which have been subdued by the Mohamedans, who claimed them as lands they were at liberty to give for the support of temples, and for the support of other institutions, such as colleges and schools; and those rights which the Mohamedans assumed reverted to the Hindoo government, when the Hindoos recovered those countries. But under the Hindoo governments in the South of India, not conquered by the Mohamedans, particularly in Malabar, Canara, Travancore, and the Southern Carnatic, I conceive there that those waste lands belong to the village communities, and that this right is fully recognized in those countries.

4143. If therefore we claim as government a right to the waste lands, we claim that which has been exercised by our predecessors the Mohamedans?—Yes.

4144. What means of education have the native gentlemen, persons of a higher description, in the part of the country you are acquainted with?—The native gentlemen, the Mahrattas particularly, neglect their education very much; they are a good deal like the ancient barons here, who thought more of war, and the sword, and field sports, than of education. When the Brahmins succeed to territorial property, they are educated as Brahmins in general are; but the Rajah of Sattarah always complained to me that he could get none of his chiefs to allow their sons to be educated; he found he had a great difficulty in getting the young nobles or gentlemen of family to learn any thing.

4145. Are the Putwurdhuns educated?—Yes, all of them; they are Brahmins.

4146. To what extent has their education been carried?—The facility of reading and writing in the books brought before them. They have their ancient mythologies, and some few histories of

the Mahratta government, which they are fond of reading or of hearing; but there is very little encouragement to literature among them. I think that the natives generally, however, are desirous of receiving information. On more than one occasion I have found them so. I met two Brahmins one day sitting on their horses reading, on their journey, books which had been printed in the College at Bombay. I asked them where they had got them, and if they bought them very cheap; they said they bought them very cheap at Poona. They were some of their own stories.

4147. Have you observed among the gentlemen of higher classes a disposition to become acquainted with the English language or English literature?—No.

4148. Has the Rajah of Sattarah any knowledge of English? —He has no knowledge of English, and I think he would have a great repugnance that any of his family should learn it; that arises from a jealousy of our power, and the fear of their assimilating too much to ourselves; he is exceedingly jealous of such an assimilation and of our rule, though he owes every thing to it; but the feeling is natural.

4149. What language does he understand?—He speaks the Mahratta, which is his native language, and the Hindostanee; he has studied a little Sanscrit; he is a very intelligent clever man.

4150. Is mutilation of limb part of the Hindoo law as well as the Mohamedan?—It is.

4151. Is the authority of the Potail over the village recognized by the Hindoo law?—Yes, certainly, I believe, in all law books. In the 8th chapter of Menu it is said, in verse 14, "He (the king) shall appoint a lord of one town, a lord of ten towns, and a lord of a thousand," and so on. This I conceive to allude to a Potail.

4152. Is the Potail appointed by the sovereign or by the villagers?—The Potail is originally, I believe, an elective magistrate; but in the course of time he, in some places, succeeded from generation to generation, instead of being elected by the people. The office should be confirmed by the king. He is employed by the village as the representative of the people, and by the king as the magistrate of the village. When I was in Candeish I frequently removed officiating Potails from office on complaint of the people, and allowed them to elect another, whom I confirmed.

4153. Does the same jealousy as you have described in the Rajah, with respect to the acquaintance with English literature or English habits, extend to other chiefs and persons of an inferior description?—I think, generally, to the upper class.

18 May 1830.

Col. J. Briggs.

4154. Not to the lower?—Perhaps not to the lower; they do not much think of it.

4155. Does the Potail appoint the inferior officers, or are they elected by the natives?—I had not an opportunity of knowing that, from seeing any village newly created, but the impression on my mind is that they were. In most parts villages appear to be divided into six, eight, ten, or twenty original shares; those were probably the original proprietors of the whole land; these divisions have become minutely subdivided, the entire shares being still recognized, and are called after the names of the original proprietors. Those proprietors probably appointed the village officers, such as the carpenter and blacksmith, and other village officers known to exist in every village. In India they have a curious mode of retaining the knowledge of the limits of villages, by apportioning lands for domestic officers on the borders of the village, beyond the ordinary course of cultivation. This being the case in all villages, it is very easy to recognize them, for each man knows which is his particular field.

4156. Those officers are all hereditary now?—They are.

4157. Who supplies the place of those village officers in the Bengal territory where the zemindarry settlement is established?—I do not know; but I believe those village officers still exist, except perhaps the police. By the Regulations of the zemindarry settlement, the Zemindars were exempt from the maintenance of the police, which gave to them a plea for seizing on the lands appropriated to that purpose. I conceive that much of the decoity we hear of owed its origin to the dispossession of the proprietors of their lands. Thus dispossessed, they collected in bands, and made war on the villages wherein their rights were taken away. I draw this conclusion from what I have read, and from the conversations I have had with persons from Bengal, such as Mr. Fortescue and others. Such appears to me to have been the origin of that peculiar system of gang-robbery, and that much of it arose out of the zemindarry settlements.

4158. Do you think that the system of decoity did not exist before the establishment of Zemindars?—I have no doubt that gang-robbery existed in all parts of India, but not that particular description of gang-robbery; nor was it ever carried to the extent it has been in Bengal. I state this as a mere matter of opinion, but I know that similar attacks on villages are made in all parts of India whenever landholders have been deprived of their rights.

The witness is directed to withdraw.

Ordered, That this Committee be adjourned to Friday next, one o'clock.

Die Veneris, 21° *Maii* 1830.

The LORD PRESIDENT in the Chair.

GEORGE HARRIS, Esq. is called in, and examined as follows:

21 May 1830.

G. *Harris*, Esq.

4159. WHAT situation did you fill in India?—I was a free merchant in India.

4160. Were you under licence from the Company?—Yes.

4161. At what time did you first go to India?—I went to India in 1793.

4162. In what capacity did you first act in India after you first went out there?—I was Assistant to the Salt Agent at Bullooah, though out of the service.

4163. How many years did you continue to act in that capacity?—From the year 1794 to 1801. I think I came over to England in 1801; and whilst I was in England, a Company's servant was appointed to the situation, and I was displaced.

4164. You not having been a Company's servant?—No; the Assistants to the salt agencies throughout the country at that time were out of the service.

4165. In what capacity did you go out the second time?—Under the same licence. I had it renewed at the East-India House.

4166. What occupation did you undertake in India upon that duty of Salt Assistant ceasing?—When I went out the second time, I first went into the trade at Luckipore, in calicoes, and which, in about two or three years afterwards, was quite knocked up by the manufactures of Manchester. I then went into the indigo manufacture, in January 1808.

4167. Where did you establish that manufactory?—In the district of Kisnagur.

4168. You continued in that occupation during the rest of the time of your residence in India?—I did.

4169. What was the extent of land which you brought under indigo cultivation during that period?—I had generally about 36,000 begas in cultivation; from 30 to 36,000. Three begas in the district of Kisnagur go to the acre.

4170. Did you find that an advantageous employment of capital and of land during that period?—Yes, certainly I did.

4171. In what manner did you possess yourself of the land you required for that purpose; and what was the nature of the interest you had in it?—By advances to the ryots, the tenants of the land, I got the land cultivated, having no interest myself;

21 May 1830.

G. Harris, Esq.

not being able to have an interest myself in the land, under the Regulations of the Company.

4172. Do you think the indirect interest you were thus enabled to acquire sufficient to give encouragement to the employment of European capital and industry in that species of cultivation?—We often found that we wanted greater interest, and frequently took large farms, though in the names of servants, to the great danger of loss at times, putting ourselves so much into the hands of our servants.

4173. You conceive, then, that were the power of holding land granted to Europeans, greater encouragement and security would be afforded to persons disposed to embark their capital? —Most undoubtedly; judging only from the manner in which the lands improved while they were in our hands, or holding them myself as farms, that the improvement was always extremely great; the villages I had in hand increased in value from two-thirds to three-fourths. I could give an instance of having paid rents for a single village, three or four hundred rupees when first I went into the indigo cultivation, and when I left it having paid 1,300 for the same village, and collected the 1,300 with ease, when at first I lost money by the three or four hundred, merely by the encouragement given by us to the ryots; that it is our interest to keep them in good humour, and to be easy with them in all circumstances when they have to pay their rents, and to furnish them with money when they wanted it.

4174. You conceive the ryots thus circumstanced were more favourably off than they would have been under any other system of cultivation now prevalent in India?—Undoubtedly; and even better off than under the Talookdar. The Talookdars were very ready to let Europeans rent villages, for when they came back into their hands after three or four years, they found them generally better cultivated, and more inhabitants in them.

4175. You found rather a competition as to land offered to you for cultivation?—Yes, in some cases. I was not much encroached upon myself; but sometimes, for fear of encroachers coming within the district I had in cultivation, I used to take those villages, in order to secure myself.

4176. Did you experience any difficulty from disagreement with the ryots or possessors of the land as to the terms upon which you held them?—Very few indeed; in general they acted as conscientiously as most people in their situation would do; no more than is to be met with even from farmers in this country.

4177. Were there any instances in which they let the same land to more than one person?—There have been instances of that, certainly.

4178. But not to such a degree as to present any material obstacle to the undertaking?—Certainly not. 21 May 1830. G. Harris, Esq.

4179. Can you state nearly the number of the ryots that were employed upon your farms?—Not very accurately; the advances to them beginning perhaps from one bega up to forty, so that I could not state, within any compass hardly, the number that might be on the books of all the factories; having eighteen different factories at that time, not of the same size, all of them, but varying (in what we call the vats) from twelve to two, the extent of cultivation at the same time varying likewise.

4180. Did you find them generally industrious as labourers?—Certainly; our labourers for the manufacture were separated from the ryots; he does not take any part in the manufacture of the indigo after he has delivered the plant.

4181. Amongst what class did you find those labourers for the manufacture?—The common people of the country, as labourers, are found in the villages. I suppose, during the manufacture, which lasted about two months, I had from two to three thousand men in constant employment.

4182. Had you any or what number of Europeans employed under you?—None whatever.

4183. Do you conceive that under any circumstances, supposing the intercourse with India to be more open to Europeans, it would be for the interest of any capitalist engaging in indigo concerns to employ others than natives as assistants, both in the manufacture and the cultivation?—Many do employ them. I had a great dislike to employing European assistants, because I found the natives always fully sufficient and always trustworthy, and the more confidence I had in them, the more deserving I found them of it; I placed the greatest confidence always in the servants under me.

4184. Do you think that probably much employment would, under the circumstances stated, take place; to such an extent as materially to interfere with the employment of natives?—I think not.

4185. Can you state what would be the difference of cost in the employ of European and native servants?—No European servant we could get could stand the climate sufficiently to undertake the business; I have no idea, except as overseers, that they could be employed; assistants we call them.

4186. What would be the difference of expence of European and native assistants?—We gave an assistant from one hundred to one hundred and fifty rupees a month, a native from twelve to twenty.

4187. What would a half-caste cost?—I should think he would not, if a man of any character, come under one hundred rupees; we gave a Portuguese fifty rupees, who is merely a

21 May 1830. — *G. Harris, Esq.*

person not superior to the native in general character, but is considered to have a little command over them, that is, where private cultivation prevails.

4188. From the experience you had, you have no reason to repent your own determination to give a preference to the employment of natives in the highest situations under you?—Certainly not.

4189. From your experience of the natives under those circumstances, do you conceive that the introduction of a greater number of European settlers would lead to frequency of dispute, or produce other consequences detrimental to the native population?—I think it might in general; that depends upon the person to whom the factory belongs, how his business would be conducted. If he saw the least symptom of violence in an assistant or an overseer, he would discharge him at once, because it must be his interest to use the ryot well; and as we are all influenced more or less by self-interest, of course we should keep the ryot in the best possible humour.

4190. Have you observed that there exists at present any indisposition upon the part of the ryots or natives to the intercourse and co-operation of European settlers, when they are to be found amongst them?—Not at all.

4191. Do you conceive that from such intercourse the natives would be gainers, or otherwise, in point of instruction and morals?—I should think very much so.

4192. Have you observed any disposition to improvement in agriculture on the part of the ryots themselves, and upon their own account, when circumstances have admitted of it?—Yes, I think I have.

4193. What have been the circumstances most favourable to that improvement which have fallen under your observation?—Their better condition, in the districts where indigo was chiefly cultivated, enabled them to have a greater number of bullocks for their ploughs, and the ground was better cultivated as they improved in means. Wherever a ryot can save a few rupees, the first thing he does is to buy a bullock; his property is chiefly, if not all, in stock, and the bullock is the only animal used in the plough.

4194. You think there is a disposition on the part of the ryots, where the circumstances in which they are placed enable them to save any thing beyond that necessary for their actual support, to expend it in improvements of that nature, rather than in mere extravagance?—Yes, certainly.

4195. Were the population with which you were acquainted entirely Hindoo?—Not entirely; the general population in Kisnagur, I think, was two-thirds Hindoo to one-third Mussulman, speaking of the district generally.

4196. Should you make any distinction with respect to the two religions, as to the opinion you have formed, their habits, their integrity, or their industry?—The Hindoo, compared with the Mussulman, is a man of much superior character generally as a servant.

4197. You would prefer, under the same circumstances, to have to do with a Hindoo population?—Most undoubtedly.

4198. Did you observe any religious jealousies on the part of the Hindoos, or more particularly the Brahmins, of Europeans settling amongst them?—None whatever.

4199. Are you of opinion that such would arise if the number of Europeans were greater than it is now?—I should think not, as the new settlers would be chiefly of the better informed Europeans.

4200. Your opinion, then, of the safety of a more frequent settlement of Europeans in India is founded upon the belief that it would in general consist of persons of a superior character and education to those of the lower orders?—Certainly

4201. Have you had occasion to observe particularly any other species of cultivation than that of indigo?—No, I have not.

4202. You have not seen any thing of the cultivation of sugar?—No; there is very little sugar or cotton cultivated in that district.

4203. Is there any alteration in the existing laws and regulations, by which you think the cultivation of indigo might be more generally and beneficially extended?—I can hardly form an opinion upon that subject. I should think the possession of lands legally would enable the European to do more than he did indirectly, and judging only from the improvement that took place whilst the lands were in our possession.

4204. Have you any means of knowing whether the improvement in those lands has continued or increased since you left India?—I believe it has considerably increased.

4205. What was the state of the police and of crime in the part of the country in which you resided?—That relates so much to the office of the magistrates of the Civil Service, that I can form a very little judgment upon that subject; I think the police of Kisnagur at one time was in a very low state indeed.

4206. What appeared to you to be the crimes most prevalent among the native population?—Whilst I was in Kisnagur, the crime of decoity and gang-robbery was at its height; not that ever I was molested by the people in the least, though perhaps residing in the very next village to them; and I remember only one instance where they attacked an indigo planter whilst I was there.

4207. Were those gang-robberies carried on by persons who

21 May 1830. at other times were engaged in the cultivation of land, or by professional robbers?—By professional robbers.

G. Harris, Esq.

4708. Do any means occur to you by which that species of offence might be diminished?—No, I cannot state any. It is now greatly diminished throughout the district. The East-India Company took great pains to put it down. An indigo planter was the person under whom the greatest number of those decoits were taken up and brought to punishment; he was afterwards made a magistrate of Calcutta, and is now a magistrate of Calcutta.

4209. Your experience in the salt department relates to a remote period?—A very remote period.

4210. Is there much difference in the quality of the indigo produced in different plantations?—It depends entirely on the goodness of the plant.

4211. More upon the goodness of the plant than the soil?—The soil, of course, has its effect on the plant.

4212. What was the state of education among the ryots and native population with whom you were in immediate contact?—In a very low state—little village schools; there were no other means of education, except for the higher classes.

4213. What sort of education was given at those village schools?—Merely a little writing, and reading Bengalee, and keeping accounts.

4214. Did you observe any taste for learning?—Yes; they were all eager to learn; the boys went with the greatest pleasure to it; and some of the little tracts published concerning geography, and those little things which the missionaries at Serampore published, they would come and copy.

4215. Did you observe, among such of the natives as had at all any means of indulging it, a disposition to use and procure English manufactures and commodities?—As far as their means went; it was the greatest present you could give to a native servant—the present of a piece of broad cloth. When I have gone to Calcutta they have requested me to bring them back pieces of broad cloth particularly.

4216. Have you any doubt that an increase of means on their part would be attended with an increased demand for English commodities?—Amongst the better classes, certainly.

4217. What is the expense of bringing into indigo cultivation any given number of acres of land?—We advanced two rupees a bega for the cultivation in the first instance, and one rupee for seed and weeding.

4218. Does the ground require much preparation for the cultivation of indigo?—It is a small grain, like turnip seed, and the better the ground is dressed the better the produce.

21 May 1830.

G. Harris, Esq.

4219. Did you carry out with you large capital with a view to this speculation?—No, I did not, when I went to India first; when I entered into the indigo trade I had capital of my own.

4220. A great deal of indigo is cultivated by borrowed capital, advanced by the agency houses, is it not?—Yes; they are persons who deal in money, and who must get their money employed somehow.

4221. What is the usual rate paid for money advanced in that way?—Eight, and ten, and twelve per cent.

4222. Under that rate of interest, does the cultivation of indigo generally answer to the European?—Yes, certainly.

4223. Is not the rate of interest less now than formerly?—The rate of interest is eight per cent.

4224. You described a great number of labourers whom you employed during part of the year; how were they employed during the other part of the year?—They are workmen in the villages; many of them from great distances, where they cannot find labour. Hundreds I had in my own employ; some came from the distance of Nagpore, four, or five, or ten days' journey, for the purpose of getting employment, as Irish labourers come into this country.

4225. After the labour was over, they returned to their homes?—Yes; taking with them the little money they had saved.

4226. With whom did you agree for the leases you held in the names of your servants?—With the Talookdars and Zemindars.

4227. How many different leases had you?—At different times not above three or four large tracts; some leases including ten or twenty villages; some including as high as fifty villages I have had in one lease.

4228. What was the extent of land you held under lease, and what was the extent of land employed in the cultivation of indigo where you only made advances to the cultivators?—That I cannot accurately say; my cultivation was increased thereby in the villages that I got on lease; what the proportion was, I cannot say at all.

4229. What were the stipulations on each side in any of those leases?—I, by taking the lease, was placed in the Zemindar's situation, and paid him what sum of money he demanded. We took them, I think, at a little loss, in general, he rack-renting the villages first to an Izadaar, then to a second one called a Dur-Izadaar, before it came into my hands.

4230. You, having taken that lease, stood in the place of the Zemindar, and stood accountable to government for the revenue?—No; I paid that to the Zemindar, who paid to government.

21 May 1830.

G. Harris, Esq.

If I could not trust the Zemindar, I very often paid it myself to government, having got him to agree to it, for it was not always that he would; they are generally very extravagant people, and I got them to agree, if I could, that I should have the lease on those terms, and that I should pay the portion due to government to the Collector of the district, the remainder to go the Zemindar.

4231. By that lease you became possessed of all the rights of the Zemindar over the ryots?—I always so considered.

4232. Was there any written agreement between you?—Always.

4233. Was that written agreement recorded in the Collector's books?—Not always, sometimes it was.

4234. Had you ever occasion to go before a court of justice with any of those persons?—No, never.

4235. Nor with any of the ryots to whom you made advances?—Never.

4236. What were the rights of the Zemindar to which you succeeded by becoming possessed of that right; what power had you over the ryots?—I had the power of distraining for rent if they fell into arrears.

4237. Was that rent to you fixed?—It was.

4238. Was that stated in the lease?—Yes; a rent roll was delivered.

4239. You gave to a Zemindar a fixed sum, and for that you succeeded to his right of taking from the ryots a fixed sum annually?—Yes.

4240. Was the payment of each ryot mentioned in the rent roll, or only the total payment of the village?—The payment of each ryot.

4241. What power of directing the mode of cultivation had you under that lease?—None.

4242. Then what was the benefit of the lease?—To keep other people off, and to induce the ryot to cultivate more land for me in indigo, through the goodwill of the ryot; getting him to cultivate more land for indigo than he perhaps would have done if I had not taken the lease.

4243. The only difference under the lease was, that he was to pay to you instead of paying to the Zemindar the same sum?—Yes; but the ryot had a friend. Whenever the rent-day came, I paid the rent of the village; I never looked to him till he sold his crop; I never forced him to pay his rent at any time when he was distressed for money.

4244. When you had a lease, did you make any advances to the ryots for the cultivation exactly as when you had no lease?—Yes.

4245. Then you cultivated no more in the one case than you did in the other?—No.

4246. The advantage of the lease was, that you were able, as you think, to keep out interlopers more effectually than you would without a lease?—Yes.

4247. That having the lease, you could prevent the ryot making an agreement to deliver the crop to more than one person?—Yes.

4248. Do you apprehend, that if Europeans generally were enabled to hold leases of that description, the production and manufacture of indigo would be increased?—I should think not much; all the lands fitted for it almost are in cultivation; a certain quantity of land must remain to cultivate rice, and other necessaries of food. A certain proportion only of the ryot's land can be put into cultivation for indigo.

4249. Must not the amount of indigo produced depend upon the demand for it?—Yes.

4250. That demand would not be increased by the Europeans holding lands?—No.

4251. Therefore neither the cultivation of indigo, nor its manufacture, would be at all increased by an alteration of the law?—I do not see that it would be increased by an alteration of the law.

4252. Supposing you had made advances for the delivery of indigo produced on 5,000 begas, and that you were desirous of establishing a factory, for the purpose of manufacturing it, what would be the cost of that factory?—The cost of the factory forms a very small part of the outlay.

4253. In what does the outlay consist principally?—In the advances, and in the expence of the manufacture; the building, (*id est*) the brick and mortar, is a very small proportion.

4254. What was the annual amount of your advances on the 36,000 begas?—My annual outlay was about two lacs of rupees.

4255. That is the outlay in advances only?—In advances and labour.

4256. What proportion did those advances to the ryots bear to the expence of manufacture?—I can scarcely tell; I should think not so much as one-half; I should think about one-third, or nearly one-half.

4257. Had you any difficulty in disposing of those factories when you left the country?—None whatever.

4258. Are there generally persons desirous of entering into the employment?—In general.

4259. Would persons desirous of entering into the employment be equally willing to take off the hands of the indigo

21 May 1830.

G. Harris, Esq.

planter, who wishes to retire, the lease he had of his lands?—Oh yes, certainly.

4260. Did that lease, in your opinion, give you the power of obliging the ryot to cultivate indigo?—No.

4261. You never found any difficulty in inducing him to do it?—No.

4262. It did not interfere with the position of the ryot, but left him exactly as he was before?—Yes.

4263. Was any part of the capital you employed a borrowed capital?—Part of it was, at first.

4264. What security did you give to the agency house that advanced that capital?—I gave none.

4265. What security have they usually?—They in general make an insurance to cover the advance of money to indigo planters to whom they lend their money.

4266. Do you mean by the demand of a higher interest?—No; the agents latterly expected a life insurance to be made for a twelvemonth; when they sent in the annual account, they made the person take out an insurance for the balance of that account, and if that balance increased, the insurance was increased; if it diminished, the insurance was diminished annually, if it was an annual insurance.

4267. Upon what principle was the rate of insurance calculated?—The common rates of life insurance in that country.

4268. Are you aware in what proportion they differ from the rates of interest?—I am not aware.

4269. Can you state the premium upon a life of forty?—I cannot.

4270. The agency houses had no apprehension of not receiving the amount of what they had advanced, provided the indigo planter lived during the year; the only danger they contemplated, was that of his death?—If he died, his death paid off his account.

4271. Therefore they took a life insurance; but they had no other security—no power over the crop?—No; sometimes they had the security of the Factory; the crop they could have no security on.

4272. Is it the custom with individuals to enter into a joint security with the manufacturer who borrowed the money of the agency house?—Very seldom.

4273. Then the agency house may be considered to advance the money of its customers to those indigo planters, without any thing that can be considered as legal security from the planters to whom the money is advanced?—No, none.

4274. What proportion, in the part of the country with

which you are acquainted, do those whom you call the better classes bear to the others?—I cannot at all say.

21 May 1830.

G. Harris, Esq.

4275. Is it only the better class who would, in your opinion, be demanders of British manufactures?—I should think only the better class; I mean by that the class we employ as our head servants, and whom we call gomastahs; people immediately under us, to do all the business, and keep the accounts, and attend to the cultivation.

4276. Those are the persons whom you employ as assistants?—Yes.

4277. Those are the only persons who would demand broad cloth?—Those are the only persons who would demand European articles.

4278. Can you look forward to any state of things in which the great body of the people would become consumers of the British manufactures?—No, I cannot immediately.

4279. Was much distress occasioned in the districts with which you are acquainted when the calico manufacture in India was superseded by that of Manchester?—No, there was not. I was then in the district of Tipperah, when the Company's great factory was at Luckipore, and in the space of one year I should think from thirty to forty lacs of rupees were withdrawn from the manufacture of calicoes, and the revenue did not experience the least defalcation. The whole country in that part of it is cultivated like a garden; there is not a spot of ground where they could feed a bullock on scarcely.

4280. Did they not appear to be the worse for the failure of the thirty or forty lacs?—No; the weavers turned their hands to the plough. They are most of them little landholders.

4281. In that part of the country the revenue is by no means highly assessed, is it?—I fancy not.

4282. Was the revenue in general highly assessed, in your opinion?—Yes; we generally conceived it was; it did bear rather heavily on the produce.

4283. Did the ryot experience any difficulty in paying it?—Very frequently.

4284. Were you obliged to make frequent remissions?—Yes; I was very often obliged to lend them money for the purpose of paying.

4285. What was the condition of the ryot; how did he live?—From hand to mouth constantly.

4286. Had he any furniture in his house?—None that we should call furniture.

4287. Any clothes?—Oh yes; their condition was greatly improved latterly, from the time I first went there to the time

21 May 1830. — G. Harris, Esq.

I came away; their houses better, and their condition generally improved.

4288. That was during the space of how many years?—During the space of fourteen years from 1808 to 1822.

4289. What are their implements of agriculture?—A small plough, which costs from two rupees to four rupees; merely three pieces of wood put together; a very simple, light, inefficient machine indeed; the harrow is nothing more than a short ladder drawn across the ground; sometimes a few bushes are tied upon it, to bush-harrow the ground, being light.

4290. What is the depth of the furrow made?—It is a mere scratch of the ground.

4291. Do they always use oxen in ploughing?—Yes, with the exception of buffaloes; they always plough with cattle.

4292. What is the average quantity of land in the possession of each ryot?—Some ryots rent from two to forty begas, the average I cannot state: some rent two or three begas of land, some twenty, thirty, forty begas, as they have bullocks. They calculate by their number of bullocks how much land they can take; a pair of bullocks would plough on an average ten or twelve begas.

4293. In that part of the country, what proportion of the gross produce of the land remained with the ryot when he had paid his rent?—I cannot say.

4294. Was it such as to enable him to accumulate capital?—No; very seldom.

4295. Was the possession of land by the ryot of any real value to him?—Of course, it furnished him with the means of subsistence.

4296. He could not have afforded to pay more rent than he did?—Certainly not, in that part of the country.

4297. What he received from the land just maintained him and paid his labour?—Yes.

4298. Was it the condition of the ryots engaged in the manufacture of indigo, or of the ryots engaged in the cultivation of it, which was in your opinion improved?—I think that both were improved; the country got much better inhabited.

4299. Did they appear to pay their rent better at the end of the term than at the commencement of it?—Certainly, much better.

4300. What was the duration of your lease from the Zemindar?—Three years. They would seldom grant it for more; sometimes I had it for five years.

4301. In your opinion, you lost from taking the lease, except as you derived an advantage from keeping others off?—Some-

times I lost by the lease: our object was not to make by the lease of the land, but to keep other people off, and to make our business easier, and to induce the ryot to cultivate more land than he otherwise would have done, knowing he might always get money when he wished for it, and that he would not be pushed for his rent, when it was not convenient to pay it. 21 May 1830. G. Harris, Esq.

4302. As you stipulated to pay a fixed sum, and to receive a fixed sum, the only doubt was whether you would receive the whole of what was due to you?—Yes.

4303. There was no possibility of making a great profit by the lease?—No; we very seldom made a great profit by the lease.

4304. In what manner could it be made?—By bringing more inhabitants into the village, as in the case I stated, by improving so much; until my lease was out, the improvements would be my own.

4305. You were understood to say, that the sum to be paid by each ryot was fixed?—Yes, when I took the lease; but I should manage to get a great many more inhabitants into the village.

4306. You could not exact more from any individual ryot who was there at the time you took to it?—No.

4307. But you generally obtained a rent from the new men? —Yes.

4308. You considered the land to belong to yourself, in the same situation as if you had been Zemindar?—Yes; and if we could establish more ryots in it, which has been the case in general while it was in our hands; if lands have improved, if we have brought the waste part into cultivation, that was our benefit.

4309. Do you think that a Zemindar would be induced to give a longer lease than for twenty-one years?—I never knew them give a lease of that period.

4310. Do you think the length of it would be sufficient to enable the European speculator to derive the full benefit from the employment of his capital?—Yes, I think it might.

4311. He would not look forward to remaining longer in the country, in all probability?—No, I think not.

4312. Does not the improvement in the condition of the ryot, and the manufacture and cultivation of indigo, depend much on the conduct of the planter?—Very much.

4313. Were you aware of any acts of oppression on the part of indigo planters against the natives employed by them?—Never, scarcely; it is so contrary to their interest. Instances have occurred, no doubt.

4314. In which they have been compelled to place more land in cultivation under indigo than they would have been induced

21 May 1830. — G. Harris, Esq.

otherwise to do?—They have tried to compel them to do so, and violence too has been used in some instances.

4315. You think that not a general case?—Not by any means, certainly.

4316. Is the land under cultivation of indigo subject to inundation?—Not generally; they try to get lands which are subject to inundation, as they are by that means enriched annually.

4317. Is indigo an annual plant in India?—It is.

4318. Is it usual for the Zemindars to let their lands to Izadaars and Dur-Izadaars?—Yes; it sometimes happens many Zemindars keep the lands in their own hands, and collect their own rents, and do not farm them out.

4319. Does each of those classes of persons demand an increased rent from the class immediately below them?—Yes, there is an increase put on by each individual; one man takes it from the Zemindar on purpose to make a little bonus by it, and he lets it to another man.

4320. Does the ryot pay an increased rent in any case to the person immediately above him?—He is called upon to do it in a measure, sometimes.

4321. What power has he to make him pay an increased rent?—There is no power for it: but he is told, "I have been obliged to pay the Zemindar so much more than the rent of the village; you must make good some of it." In general the ryots are willing enough to do it, for they hold much more land than is in their leases or pottahs, and they are rather willing to come forward, if they think they shall be used kindly.

4322. If the ryot, since his pottah, has taken into cultivation any portion of land previously uncultivated, the Zemindar claims a right to charge a rent for it?—Certainly.

4323. And another person standing in his situation would exercise the same right?—Yes.

4324. The value of one of the villages you mention was increased from three hundred to thirteen hundred rupees; was the value of that lease increased by merely bringing a larger number of begas into cultivation, or the introducing a larger number of ryots; and did it, in consequence, pay a larger rent to the Zemindar?—If the village improved during the three years I held it, until my lease was out, I myself gained the advantage of it; then it fell back into the Zemindar's hands, and the next time I went to take a lease of him, he asked me so much more money, as I had improved the village so much, and he made me pay eight or nine hundred rupees; the next time he raised me up to thirteen hundred rupees. I do not mean to say that I had not collected thirteen hundred from the ryots, and with as much ease as I had the three hundred previously.

21 May 1830.

G. Harris, Esq.

4325. Did the improvements which took place during your tenure of that village consist in the bringing new lands into cultivation, or the demanding higher rent from the ryots?—Bringing more land into cultivation, and bringing more ryots into the village, for the purpose of cultivation.

4326. But the old lands paid no more than they had done previously?—No.

4327. You treated, in the taking of land, with the Zemindar?—Sometimes I treated with the Zemindar; it was to my loss if I took of those holding under him.

4328. Do the expences of the cultivation of indigo differ much in different parts of India?—I believe considerably.

4329. To what extent?—I have known them differ one-third in different parts of the country, from a greater number of indigo planters being settled in one part than another.

4330. From whom had you the lease of the land on which your factory was built?—I held in perpetuity. An application was made to government to hold in perpetuity twelve or twenty begas, for the purpose of building a factory.

4331. Were all your factories built on that footing?—Yes.

4332. Who granted the perpetuity?—The Zemindar. I have rented small pieces of land from the ryot, that have been waste land, or out of cultivation, in order to cultivate indigo myself; I cultivated it a great deal myself at one time, in order to have workmen at the season of the year when I wanted them.

4333. Unless it is land in his own possession, or waste land, the Zemindar cannot grant a lease in perpetuity, can he?—No, I should think not.

4334. The ryot alone can give you the perpetuity at a quit-rent?—Yes.

4335. Have any zemindarry rights been sold, to your knowledge?—My son has bought a large zemindarry right within the last two years; he is a native born. I had rented it myself. I believe there are forty odd villages.

4336. In cases where zemindarry rights are alienated, is the licence from the government necessary to recognize that transfer?—Where a person is able to purchase it in his own name, he has only to register it with the Collector. There is no application necessary to government, that I am aware of.

The witness is directed to withdraw.

ENOCH DURANT, Esq. is called in, and examined as follows:

E. Durant, Esq.

4337. You are engaged in the silk trade, are you not?—I am, as silk broker.

4338. Are you able to speak to the qualities of Bengal silk as compared with the Italian silk?—I am.

21 May 1830.

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E. Durant, Esq.

4339. Can you state the relative estimation they bear in the market?—The range of qualities of silk both from Bengal and from Italy, vary very many shillings per pound. The best qualities of Bengal silk sell in this market nearly as high as the best qualities of Italian silk; but we have very little Italian silk which sells here so low as some qualities of Bengal silk.

4340. The very highest Bengal silk sells as high as the very highest Italian silk?—Nearly.

4341. What proportion of Bengal silk imported is of that quality?—A very small proportion. The Company have two filatures in Bengal, the best silk of which sells nearly on a par with the higher qualities of Italian silk.

4342. Do you know where those two filatures are situate?—The names of the districts I can state, but I do not know their locality; the names are Comercolly and Gonatea.

4343. The whole quantity of silk imported is about 1,200,000 lbs.; can you state nearly how much of this 1,200,000 lbs. may be said to be of good quality?—Of the highest quality, not above 10,000 lbs., speaking from recollection.

4344. The great bulk of the remainder is inferior to the Italian silk?—Taking as a standard the highest quality of Bengal silk at twenty shillings per pound, it ranges at all prices from that down to seven shillings.

4345. Can you state what proportion of the 1,200,000 pounds sells at seven shillings?—Considerably the larger quantity, comparatively with the highest.

4346. So as to form a large proportion of the whole?—Probably 50,000 to 100,000 lbs weight per annum, out of the 1,200,000, is of low quality, seven, eight, or nine shillings; but that quality is not imported by the Company; and I am not aware whether the question relates entirely to the Company's silk, or to Bengal silk generally; about one-quarter to one-sixth part of Bengal silk is imported by the private traders. When I speak of silk at seven, eight, or nine shillings, I do not speak of the Company's importation.

4347. Setting aside the extremely bad silk and extremely good, what is the average price of the greatest proportion imported from Bengal?—It is impossible to answer that question; the average prices of each Company's sale will materially vary, and I think it would be difficult to get at the average price of any one sale; probably I should come near the question by stating that at the last Company's sale (I speak from recollection) the average price of their silk was somewhere about thirteen shillings per pound.

4348. Can you state the price last year of the good Italian silk, not of the first-rate quality, but an average fair quality?—Understanding the questions to apply all through to raw silk, I

should think (there was a good deal of fluctuation last year in the market) the average price of the current qualities applicable to general purposes of the manufacture of broad or garment silk was about eighteen to nineteen shillings per pound. 21 May 1830. — E. Durant, Esq.

4349. Has the quality of Indian silk improved within late years?—Speaking of it generally, certainly not.

4350. Are you sufficiently acquainted with the manner in which it is raised in India to be able to state from what reasons it continues to be of inferior quality to the Italian silk?—I have no practical knowledge upon the subject.

4351. Have you collected such information as to enable you to form an opinion upon the subject?—Apparently the reason why it is not improved has been from its having been under the management of a great company; I am of opinion that the system of a great company reeling silk is inconsistent with that very close superintendence which is necessary to the perfection of reeling silk. Silk is not like cotton or hemp, or any of those articles which can be pulled to pieces, and the fibres drawn out by machinery, but it begins with a filament or worm thread, and the regularity or evenness of the thread, which makes the perfection of the silk when reeled, can only be acquired by a practised hand and experienced eye. Machinery cannot combine these filaments so as to make a perfect silk thread. From all the information I have received from the silk reelers of Italy, they speak of the extreme close superintendence which they are obliged to exercise during the time of reeling over every department of their filature, in order to obtain a tolerably good quality; and the superintendence, so close and so attentive as it is described by these silk reelers of Italy, I apprehend, never can be obtained under the agency of a large company.

4352. In point of fact, however, the silk brought to this country by the Company is better than that brought by individuals?—Generally much so, because there are no European filatures of any extent, or perhaps only one remaining, except those in the hands of the Company; the silk brought to this country by private traders is purchased in the market, having been reeled by native reelers, who do not adopt the full advantages of the European system of careful reeling.

4353. What measure would you suggest for the purpose of improving the cultivation of silk in India?—I think the situation and circumstances of the silk manufactories of this country indispensably require that the raw silk supply from India at this moment should not be disturbed; but I apprehend the only way to improve the quality of silk in India would be by opening it to the competition of individual reeling; but that is only on general principles, and applying them to this particular question.

21 May 1830.

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E. Durant, Esq.

4354. Are you aware of any restrictions now placed on individuals engaging in that manufacture in India?—There are no restrictions that I am aware of; but the transactions of the Company are so extensive in silk, and in consequence their mode of supplying the market is such, that individuals cannot enter into successful competition with them as silk reelers, while their transactions are on their present scale. Facts will substantiate this. There have been attempts made to establish European filatures in India at very considerable cost, and under the very best management, but the two largest have been relinquished, after some years' perseverance.

4355. Are you aware of any proceedings on the part of the Company that led to the abandonment of those filatures?—No direct proceedings that I am aware of; but the general system of the Company rendered the pursuit not only unprofitable, but I apprehend also losing concerns. As respects the effect of their system here, the Company import a certain quantity annually, within a few hundred bales; at least they endeavour to import about from 800,000 to a million pounds annually; the demand for the raw material in every manufacture of the country will very materially vary from one year to another, and there is sometimes a much greater demand for silk some particular year, and much greater activity, than in others; the Company importing their regular quantity, and selling their regular quantity as they import it, when those quantities happen very considerably to exceed the demand for raw silk, prices fall, and a loss is sustained sometimes of twenty or thirty per cent., and this involves the private trader who is bringing silk to this country. The Company are content to bear this loss, considering that the subject has various bearings, and that it is also a question with them of remittance. Whatever may be their reason for bearing the loss, the result is, every now and then, a year occurs in which the quantity offered is not demanded; the consequence of that is, it sells at a great loss, reducing the value of private trade silk, and occasioning the individual loss which I have mentioned; and I attribute to this circumstance, more than any other, the private filatures of Bengal have been given up.

4356. Your opinion is, then, that the Company not accommodating the supply to the demand with the same nicety and the same attention which would be exercised by the private trader, occasions a variation in prices which is fatal to the speculations of the individual?—Certainly, that is my view; but it is impossible that any company can proportion a supply of raw silk, requiring much previous arrangement, to the demand, because on the system of a large company their orders must go out upon a general scale; they must receive upon a general scale; and they must sell on a general scale.

4357. You think that the Company importing silk into this

21 May 1830.

E. Durant, Esq.

country for the purpose of remitting that which must be remitted, whether at profit or loss, are not influenced by those considerations which govern and control the private merchant, and therefore materially interfere with those merchants?—Yes, and on other grounds also; for having opened filatures in Bengal, and having a certain population in their silk districts to provide for, according to their views, they are compelled to go on one general scale of reeling a certain annual quantity. They are not purchasers in the market; they are the reelers of the silk in Bengal. These circumstances therefore operate in several ways. Whether the demand is slack or great, they are obliged to issue, in the first instance, orders for a certain quantity; they bring this quantity, and they consider themselves obliged to sell this quantity. Under these combined circumstances, when the demand slackens so as not to take it, there is always considerable and sometimes great reduction in price, which the private trader cannot support.

4358. The result is, that a private individual cannot trade in competition with a company conducting a trade occasionally at a loss?—I so consider.

4359. In those observations, do you refer to the importation by the Company of raw silk only, or of manufactured silk?—Of raw silk only; I know nothing of manufactured silk.

4360. Have you referred to the accounts presented to Parliament of the quantity of silk imported by the Company in successive years from the year 1814?—I have not; I cannot speak to them, except from memory.

4361. Are you not aware that there is a very great variation from year to year?—Yes, there is a variation from year to year; but the Company import in what are called seasons. A part of the season of 1828 may by accident be so imported as to be reported in 1829. The quantity imported for each season has been about 700,000, or from that to 800,000 weight per season; but the returns per year will vary from that, because it may be so arranged that two-thirds perhaps of each season may come in in one year, increasing the imports of that particular year, and diminishing the year following. There is sometimes a delay of their shipping, or some delay in the passage, and it will come in in the next year in consequence.

4362. Do you know at what cost the Company raise their silk?—I apprehend that varies from one year to another, depending on the price of cocoons; and the cost of silk in Bengal will be much affected by a greater or less loss, upon advances made. I apprehend, on this and other grounds, it will be difficult for the Company to ascertain the real cost of their silk.

4363. You refer to advances make for silk in India?—Advances made to the natives in India for cocoons.

21 May 1830.

E. Durant, Esq.

4364. Are you acquainted with the cultivation of silk in Italy? —Not practically; merely from information.

4365. Do you know the comparative difference in the price of labour?—No.

4366. Do you know the comparative amount of freight?—No.

4367. Does it appear to you that the reeling of the Company's silk has been inferior of late years to what it was?—Some of the Company's filatures have improved, and some have retrograded, so that I think there has been, upon the average of late years, no material alteration.

4368. Do you think that, considering the natural qualities of Indian silk, if the same attention were paid to the reeling of that which is paid to the reeling of Italian silk it would fetch a higher price in the market than it does?—I think a much greater proportion of it might bring the higher price.

4369. Do you know whether that proportion of it which bears a high price is produced by the same silk worm, and from the same tree, as that which bears the low price?—From the same cocoons, certainly; only that the cocoons are sorted with greater care.

4370. Do you know of any difference between the Italian and the Indian worm?—The thread of the Indian silk is different to the thread of the Italian worm, but it does not follow that the silk is inferior. The Indian thread is not so firm as the Italian thread; for some purposes it is better, and for other purposes not so valuable.

4371. Can you state the relative value of the silk produced in a very hot climate as compared with that produced in a more temperate climate?—A very hot climate, I apprehend, is unfavourable to the production of silk; a moderately warm climate is favourable to it. The great difference is, that the best silk is generally produced on the higher grounds of the country, not on the plains; but that is a difference not important, but I have been informed there is a difference.

4372. Is not a great deal of artifical heat introduced into the filatures?—The cocoons are reeled out of warm water; there is no other artificial heat.

4373. Has there of late been any improvement in the silk manufacture of India?—I have no knowledge of manufactured goods.

4374. You have stated that the best Bengal silk is equal in price to the best Italian silk?—Nearly so.

4375. Is it applicable to the same purposes in manufacture? —Not precisely to the same purposes, but to the same class of goods, or rather to goods of equal price when manufactured. I

believe it will not make velvet, but it will make silk goods, which will sell as high as velvet. 21 May 1830.

E. Durant, Esq.

4376. When you speak of the expenses incurred by the Company in cultivating silk in Bengal, do you include in that estimate the cost of their buildings?—The buildings required are, I believe, very trifling. I certainly had no reference to buildings; my reference was to the expense of their commercial establishment, their agencies, &c.

4377. Do you think that supposing the production of silk in India to be improved to the highest degree which you think it capable of, our manufacturers could proceed without the assistance of the Italian silk?—The general impression among the manufacturers is, that they cannot proceed without some Italian.

4378. Will you state your reason?—Hitherto they have not found that in some articles of manufactured goods the Bengal will produce an equal quality.

4379. Are they ever used together?—Constantly; I believe Italian is now rarely used without a mixture of either Bengal or China silk.

4380. Does that improve the quality?—It either improves the quality or reduces the price; I think more reduction of price than the improvement of quality.

4381. Is much Indian raw silk sold for exportation?—Very little.

4382. Has it ever occurred that Indian silk has been exported for the French manufacture when the crop failed on the Continent?—When the continental silk has been very dear, there has been some sent; but an exportation of China silk takes place much sooner than Bengal silk.

4383. Has any exportation of Indian silk taken place this year?—No, none this year.

4384. In the last year?—Of China silk, I think there was, last year, but not Bengal.

4385. Does the quality of China silk vary so much as Bengal silk?—No; it is much more equal.

4386. How do you compare China with Bengal?—The very highest quality of China, Bengal, and Italian, sell nearly at a price; but the general price of China silk is below the medium of the fair class of Italian silk.

4387. Applicable to the same purposes?—Of late it has been found so; but there was for many years a great prejudice against it.

4388. Has the quantity of China silk imported increased?—The Company have relinquished the China silk importation for some years; and since they have given it up the importation of China silk has been gradually increasing; it is now about

21 May 1830. — E. Durant, Esq.

three hundred thousand pounds weight per annum, or rather more; last year, I think, it was five hundred thousand or six hundred thousand.

4389. In whose hands is it now?—The Company's officers, captains, mates, &c., and also private traders, who now bring it very much, I believe, as a return investment for their out-shipments.

4390. Do you happen to know the price in China?—It varies a little in China. I can state what it is understood to cost in English money when purchased at a moderate price; it is understood to come in here, including expenses, at about sixteen shillings.

4391. What does it sell for?—Of late, it has sold under that price; at a loss rather than a profit.

4392. Has any attempt ever been made to bring the cocoons into this country for the purpose of reeling them?—The attempt has been made from Italy, but not from India; but they are very bulky, and pressing them into the package injures them; their bulk prevents their bearing the charge of freight.

4393. Are you aware whether there is any great difficulty in sending the silk worm from one country to another?—Not the least. The seed has been taken from any one country to another; the China worm has been brought to Italy, *vice versa* the Italian and China worm to Bengal; but it has been always found that the worm partakes of the climate to which it is transported, in a year or two.

4394. In order to produce in India the same quality of silk in successive years, it would be necessary from time to time to have fresh importations of the worm?—I do not think that will have the effect, for the fibre of the silk will depend in some measure on the food, and the food is different in quality.

4395. Would the variation increase, or would it be as great in the first year as in succeeding years?—The attempt has never been much persevered in; but I think it would be as great in the first year as in the subsequent years.

4396. You think that the worm does not degenerate in another climate?—My impression is, that the quantity of the silk depends very much upon the food, and not upon the worm; that therefore, if the worm is transported from one country to another, that would not much alter the quality of the silk; but I do not think there is so much difference in the intrinsic quality of one silk and another, as in the preparation in the reeling of it. Whether silk is of the production of France, Italy, Spain, Bengal, or China, if it is very accurately reeled, it will all obtain high prices.

4397. Is not some silk of stronger fabric than other silk?—Some silk is of stronger fabric than other silk; but the weak fabric,

21 May 1830. — E. Durant, Esq.

if equally level in its thread all the way through, is applicable to some purposes to which the stronger is not applicable, and therefore will fetch a high price for some purposes. Where a very even thread is wanted, for example, some kinds of garment, silk, lace, crape, &c., in some the stronger, and in some the more delicate are best suited, and they will all equally bear a high price.

4398. Is the import of a large quantity of silk at an inferior price of great importance to the silk manufacture under its present circumstances?—I think, as the manufacture of this country is now situated, subject to the Continental competition, the import of a large quantity of Bengal silk at a low price, the consumption of which is confined exclusively to this country, is essential to its prosperity, and the withdrawing of it would be very hazardous.

4399. Do you know why the consumption of that sort of silk is confined to this country?—From the better understanding its preparation.

4400. Are foreigners in the habit of mixing in the same manufacture the finer and the inferior sorts of silk?—I have no knowledge of the foreign manufacture, but I apprehend not to the same extent that we are. They do not get the various qualities of silk to enable them to mix; the manufacture of the Continent is chiefly confined to silk of the growth of Italy and France.

4401. Is Bengal silk much used with other materials, not silk, in this country?—Bengal silk is much more used with other articles than the silk of other countries.

The witness is directed to withdraw.

Ordered, That this Committee be adjourned to Tuesday next one o'clock.

Die Martis, 25° *Maii* 1830.

The Lord President in the Chair.

Mr. ARTHUR RYDER is called in, and examined as follows. 25 May 1830. — Mr. A. Ryder.

4402. In what occupation are you engaged?—I am a cotton dealer.

4403. How long have you been in that line of business?—Throughout my life; for seven-and-twenty years.

4404. In your business, are you acquainted with the qualities of the cotton produced in different countries?—I am.

4405. Have you observed in that period any alteration in the qualities of the cotton imported from different countries?—It varies according to seasons.

25 May 1830.

Mr. A. Ryder.

4406. Is the American cotton better than when you were first acquainted with the business?—It is.

4407. What particular species of cotton is improved?—The short-stapled cotton, which is called Upland or Bowed Georgia.

4408. Are you aware of the means by which improvement has been accomplished?—I am unable to speak from my own knowledge, never having been in America; but I have heard it attributed to the continual changing the seed—using fresh seed every year.

4409. Is it not from the plant which has occupied the ground on the preceding year?—Precisely so.

4410. Is it usual to bring a different species of seed on to the land of succeeding years?—I cannot say; but continued renewed planting is necessary, as the plant degenerates after one year's growth.

4411. Does it appear to you that any great improvements have been made in the process of cleaning?—A good deal so; the cotton comes cleaner and more perfect than it used to do formerly.

4412. The price very much depends upon the manner of cleaning it, does it not?—The value of the article certainly is improved by its being free from any dirt or stain.

4413. Is the American cotton sent to this country in a condition very superior to the cotton of other countries; is it better cleaned than the Egyptian cotton?—In some cases it is; but the Egyptian cotton for the last two years has been very much improved.

4414. Do you mean in natural quality?—In cleanness, and generally speaking it has been improved.

4415. Do you know what methods of cultivation have been adopted for the purpose of effecting that object?—I do not; but of late the Sea Island seed has been more used, and a valuable description of cotton is produced from it.

4416. Has there been a great variety in the species of cotton introduced from America of late years?—None. The growth of the United States is confined to two qualities: Sea Island and Santu, or long-stapled growths. All the rest is short-stapled, and denominated upland.

4417. Is it superior to other cotton?—The Sea Island and Santu growths are superior; the Santu, as well as the Sea Island, is superior to all other growths.

4418. It is understood that the neighbourhood of the sea is almost essential, is it not, to the production of the finest cotton?—It is so.

4419. Are you acquainted with cotton of Brazil?—I am.

4420. Is it superior to the American?—It is superior to short-stapled American cotton generally, but not superior to Santu or Sea Island.

4421. Is that as well cleaned as the American cotton?—Yes, it is so.

4422. Are you aware whether there has been recently any improvement in the machinery employed in the cleaning of cotton?—I am not.

4423. What relation in point of price does the best Indian cotton bear to the best American?—India cotton, being short-stapled, is governed in price by the American growths of short-stapled cotton; and the prices of India generally bear a proportion of two-thirds of the value of American. When the latter sells at sixpence per pound, India cotton has been at threepence to four-pence halfpenny per pound; when American cotton sells for ten-pence to one shilling per pound, India sold for five-pence halfpenny to eight-pence per pound; when American has been eighteen-pence to twenty-one pence per pound, India has sold for twelve-pence to fifteen-pence per pound.

4424. To what do you attribute the great inferiority of price of the Indian cotton?—It is shorter in staple; has more dirt and waste in being manufactured.

4425. Is it shorter in staple than the short-stapled American cotton with which you have compared it?—Very much so.

4426. Is there no long-stapled cotton from India?—None whatever from India.

4427. Is it inferior in fineness to the American short cotton? —It is inferior generally, both in regard to staple, and requires more labour to clean it. India cotton is generally used by itself for making low goods, or else mixed with American and other cottons to reduce the price of manufacture. In this country it is but partially used as a whole; and whenever American cotton is at a very low price, East-India cotton is neglected, and used only in small quantities. It is much more used abroad.

4428. Is it at all deteriorated of late years?—The quality varies according to seasons. The last two years, certainly, the India cotton has been of lower quality generally, being very dirty, with other defects.

4429. What price do you apprehend that Indian cotton would fetch if it was cleaned as well as the American cotton?—At the close of January in this year, at a public sale that took place in the city, there was a small portion of East-India cottons that sold at sixpence per pound; it was very clean, and very perfect in its fibre or staple. At the same time, cottons from the same division of India, which is the Malabar coast, sold at three-pence per pound. In reference to the price of American at that time,

25 May 1830.

Mr. A. Ryder.

I would say that good short-staple American cotton was worth $7\frac{1}{4}d.$; while this cotton brought 6*d*.

4430. Do you know from what part of India particularly that good cotton came?—I know nothing further, than that it was shipped at the port of Bombay,

4431. By what house was it imported?—By Smalls, Colquhoun, and Company, of the Old Jewry.

4432. When the cotton comes home in that sort of condition, what process do you adopt to attempt to clean it here?—I am not sufficiently acquainted with the process of manufacture to enter into details.

4433. Having undergone that process, is it equal in cleanness to American cotton?—Yes; it can be brought to any degree of cleanness by labour.

4434. Is the cotton injured by importing in that dirty state?—No, I apprehend not.

4435. What is the expence of cleaning it in that manner?—I have heard that the loss in weight is about ten per cent.; the expence, I should think, was trifling.

4436. Would it appear that the difference is so great as the difference in price you have stated?—It would not.

4437. Would it as much answer your purposes to purchase at 6*d*. per lb. cotton clean, as it does to purchase the same cotton at 3*d*. in its dirty state?—In giving a reply to that question, I conceive it belongs more to the manufacturer to answer that question than myself. I should say that cotton at 3*d*. per lb., with any sort of cleaning, affords a profit superior to the taking the cotton at the price of 6*d*. which is already cleaned; and I have heard spinners say, that they would rather have cotton from India, and clean it in this country, than have it tampered with in the cleaning. Either from their ignorance, or some circumstance, the fibre of the cotton has become injured in the cleaning; but I am unable to give the information that a spinner would be capable of doing.

4438. Have you ever attended to the different modes of packing between the Indian and American cotton?—I have never been abroad; but I have seen many thousands of bales. They are both pressed, packed, and screwed very tight; but nothing equals the screwing of Indian cotton.

4439. Do you apprehend that the violent application of the screw injures the fibre of the cotton?—Not at all; it of course expels the external air; and cotton will keep with all its qualities for very many years.

4440. You have already said that you do not apprehend the pressure applied to the cotton, though for a considerable period, ultimately injures its quality?—I conceive not.

4441. It is impossible to use the cotton until it has undergone the process of cleaning?—It would never answer for any purposes of yarn; the cloth would be full of specks and impurities. It is certainly requisite to clean it in all cases previous to its manufacture. 25 May 1830. Mr. A. Ryder.

4442. Does the Indian cotton enter in a large degree into the manufacture of those articles of cotton which we export from this country?—I should conceive not in a great degree; but it varies according to its relative price with American growths of short-staple.

4443. It is more used in the manufacture of articles which are retained for home consumption?—I conceive so. My experience tends to the feeling, that Indian cotton is solely used in making very low goods; so far as low goods are exported to India, Indian cotton is applicable to that manufacture.

4444. You are of opinion that it is used for the making of inferior goods, and for effecting a reduction in the price?—Just so.

4445. Is there any further information which you think it would be desirable to offer the Committee?—I would humbly submit for the consideration of the Right Honourable Committee, that prior to July 1820 cotton wool was permitted to be imported in British vessels for home consumption from any part, without reference to its place of growth, which gave our manufacturers advantages they do not now possess. From Holland we could get Surinam and Nickerie cottons; and from France, Cayenne, Martinique, and Guadaloupe cottons; all of which were used to advantage; and, more particularly, it tended to equalize prices all over Europe, which is now not the case. It is my feeling that it would be very desirable for the East-India Proprietors to make use of different sorts of seed. I conceive that it is very possible to improve the growth of cotton in India.

4446. Was the Indian cotton you speak of as having been sold for sixpence a pound as well cleaned as the American?—Not quite so well cleaned.

4447. Do you consider the best Egyptian cotton equal to the American?—The best species of Egyptian cotton is superior to every description of cotton that is grown, except the Sea Island and Santu or long-staple American cotton; and we are now receiving from Egypt an improved culture from Sea Island seed, which is greatly appreciated by our manufacturers, and promises to rival the growth of the Santu cotton.

4448. Have you ever happened to see any cotton obtained from the western coast of Africa?—Once I did; I do not know whether it came from Senegal or Sierra Leone.

4449. Was that of a good quality?—It was very long in its

25 May 1830.

Mr. A. Ryder.

staple, but not strong in its fibre, and consequently not capable of spinning to any high numbers.

4450. Is there long-staple cotton in the island of Bourbon?—It ranks among other long-staple cottons; but I should call it, for a long-stapled cotton, short; it is very fine, and consequently capable of being spun to high numbers; but since the Sea-Island cotton has been cultivated to the extent it has, Bourbon cotton has gone almost entirely out of use.

4451. Do you know what kind of cotton the finest Indian muslins are made of?—I should consider, the common cotton of the country, the short-stapled cotton grown in Bengal; but the whole of the manufacture in India is by hand-spinning, consequently there is a greater tension, from the moisure which the hand gives them, than can be had from any thing in the shape of machinery; a fine yarn can be produced by hand-spinning from a short staple which frame-spinning will not touch at all. The country of India produces nothing but short-stapled cotton.

4452. You consider the manufacture of muslin as a fine species of manufacture?—Certainly. The thread is spun by the hand in India. The muslins made in this country are spun from long-stapled cottons and fine-stapled cottons.

4453. When so spun by the hand, is it not applicable to the finer species of manufacture?—Certainly.

4454. Are you acquainted with Maltese cotton?—I have seen it; that is an inferior article.

4455. That is of the same species as the Egyptian cotton, is it not?—No; it is inferior to the Egyptian cotton; this is long-stapled, whilst the Maltese is short and poor.

The witness is directed to withdraw.

Mr. JOHN BRUDDOCK is called in, and examined as follows:

Mr. J. Bruddock.

4456. In what line of business are you?—I am a cotton merchant.

4457. Have you ever witnessed the cultivation of cotton yourself?—Never in my life. I have been in the habit of watching every point I have met with in drawing cottons, and examining the pods and seeds which have been imported into this country, and making particular observations upon them.

4458. Have you within the last few years observed any improvement in the natural quality of any species of cotton which have been imported?—I have not noticed any improvement whatever in the quality or in the description.

4459. Is there any great improvement in respect of cleaning?—Yes, there has been; in the American particularly; they send it in the most perfect state, and more fit for a market of all others. The Brazilians have fallen off in their cottons.

25 May 1830.

Mr. J. Bruddock.

4460. Does the imperfection in the mode of cleaning very materially affect the value of cotton?—Undoubtedly; because the least particle of dirt or dust, or whatever it may be, in cotton, is sure to break down the thread.

4461. Do you apprehend it is possible to clean cotton as perfectly, after it has been imported into this country, and packed a number of months, as it is at the time it is first taken from the ground?—I should think it was. It is some years since I was in a factory; more than forty; but I should think the blowing-machine would effect that purpose.

4462. Do you think the cotton will have been injured by the presence of the dirt?—By no means.

4463. Is it injured by strong pressure?—No, by no means.

4464. Is it injured by confinement on board a ship, by the exclusion of the air?—No, I should think not; I have known cotton to be kept for twenty years and then work remarkably well—as well as when it first arrived.

4465. To what circumstance do you attribute the inferiority of the Indian cotton?—It is from the native seed; I have taken a seed and stripped it of the husk, pressed my thumb upon it, and it breaks more like dirt. I have taken the kidney seed, (for it is in the form of a kidney, that is, the Brazilian seed,) stripped and pressed it, and oil has appeared, which shows the superior strength of it. The Pernambucco is the strongest, and will I have no doubt produce the fullest quantity of all seeds, and of very good quality Cayenne or Surinam is also very good; I have pressed the oil out of them also; they will produce quantity and good quality.

4466. Is the cotton produced in the Brazils equal to the best American?—No, it is not; it is a very useful article; of all descriptions, remarkably useful; but they are not equal to the Sea Island.

4467. Are they long or short stapled?—All long.

4468. Do you consider the Brazilian seed superior to the American seed?—I think that, considering quantity and quality, and treating it with attention in the cultivation in the East Indies, it would prove superior to some, and equal to any but the Sea Island, which is grown from Persian seed taken from the Bahama Islands. I have seen some already produced. I happened to be examining four samples at the India House in 1817 or 1818, with Mr. Robert Owen, and on opening one of the samples a kidney seed fell out, and I never saw purer cotton in my life; it had a very fine silvery gloss upon it; and I thought it fit for any purpose, the staple being remarkably strong, fine, and long.

4469. Where was that grown?—On the Coromandel coast, I was informed.

25 May 1830.

Mr. J. Braddock.

4470. What was the value of that cotton?—I should think it would fetch, at the present time, about nine-pence, or from that to ten-pence, or perhaps up to a shilling.

4471. Was it long-stapled cotton?—Of course.

4472. What would be the price of the best Sea Island cotton? —Sea Island cotton of that quality is worth twenty-one and twenty-two pence. I used to purchase nearly all the Persian Bahamas seed at one time; and I have no doubt, from the inquiries which I have made, that those seeds were taken over to South Carolina and Georgia; the produce of the Sea Island is from those seeds; and the real Persian seed produces the finest cotton of any; but a small supply only of that cotton is wanted; we want a more useful cotton for all general purposes. I consider the consumption to have been increasing full five hundred bags a week for years.

4473. What are the particular qualities which give to cotton the character of usefulness?—I consider the Brazilian cotton to be as useful as a middle article for nearly all purposes, as any cotton which is grown. The American cotton is very good; the reason that it is in more general use, and that there has been so large a quantity grown, is, that a man can adapt his machinery for the manufacturing of that description, because the growth is very nearly alike, and he is always sure of supply. That is the case with some persons who work Indian cotton.

4474. Is the Indian cotton exclusively used in the manufacture of articles chiefly composed of other cottons?—No. It is mixed sometimes with Brazilian, Maranham, and Bahia, but Maranham chiefly, because that is more close and fit for twist than the general growth of Bahia.

4475. Have you communicated with persons who have been acquainted with the cultivation of cotton in the East Indies?—I once wrote a memorandum, and gave it to Mr. Robert Owen; that was in August 1815. I began to think of the expediency of it in 1808 and 1809, when the American embargo and non-intercourse took place. I have often thought that if another embargo was now to take place (as they send us such an immense supply) of three or four years, that it would throw the country generally into great confusion. There ought to be an ample, and a safe and a sure supply from our own possessions; it has become an article of such immense magnitude and importance to our national and individual prosperity.

4476. Does the dirty state in which the Indian cotton arrives in this country materially diminish its value?—It certainly lessens the value considerably; but it is generally worked into very low cloth, checks for sailors, and low calicoes or velvets, velveteens and cords, and other low heavy goods.

4477. Are you aware whether we have in this country supe-

rior machinery for cleaning cotton to that used in America?—Yes; I think the blowing machine is a very superior machine for taking the dirt out; but as to the gins for taking out that dirt and the remains of the seed, I know nothing of them; but I understand the East-India Company have sent some out lately on an improved principle of all others. 25 May 1830. Mr. J. Bruddock.

4478. Is it necessary that some degree of cleaning should take place in the country from which the cotton is brought?—Yes, certainly, that is essential; but the article from the kidney seed is very important, and may be so easily hand-picked and cleaned, as the seed may be taken out whole, and in its natural state.

4479. Supposing cotton to be imported in the dirtiest state from India, can you tell how much a pound it would take to clean it?—It would take a good deal of trouble to do that; it is the most difficult cotton to get from the seed. I have taken up some and pulled the cotton off with my fingers, and they have been sore for two or three weeks afterwards. I cannot tell how much it would cost to clean it; but there would be an extra freight to pay for seeds and dirt.

4480. Is it not more difficult after its remaining so long a time as it remains in the dirt?—No; I think the seed would become looser; but they must attend to that abroad.

4481. You cannot tell what it would cost in England to clean it?—No, I cannot; but it would be a very difficult thing.

4482. Is the Indian cotton of as good a quality as it used to be?—Yes; I can recollect it pretty nearly fifty years. Some parcels are better.

4483. Is it better cleaned?—Some parcels are better cleaned; we get one-fifth part of it clean from Bombay; the Madras cotton is well cleaned, and so is that from Bengal. The Bombay is the most useful cotton of the three.

4484. Is the Madras cotton from the Brazilian seed the only long-stapled cotton from the East Indies?—There were four samples at the time I went to the India House; I never saw a better sample in my life; I do not know whether that seed would not have equalled the best cotton that ever came from the Coromandel coast.

4485. Are you acquainted with the Dacca cotton?—I am not.

4486. Do you know whether that is imported into this country?—I think there was some thirty years ago. The brother of Sir Home Popham, if I am rightly informed, had an estate in that neighbourhood; and the cotton he sent was very good, fully equal to the best Bourbon; it was called Popham cotton.

4487. What is the quality of the Bourbon cotton?—It is not equal to the Sea Island for strength; it is a very good article

25 May 1830.

Mr. J. Bruddock.

for fine cambric and dress muslins; but it always degenerates in other climates. I have known the seeds to be taken to the Bahamas, and there it produced nothing better in quality than well-cleaned and fine Surat; and there have been several attempts in the East Indies to produce cotton from those seeds, but hitherto it has always failed; never yet equal to good Bourbon, Mauritius, or the Sechel.

4488. For what purposes is the very finest cotton used?—For muslins, and for fine veils, and for all the superior kinds of goods and threads.

4489. Is the Sea Island cotton ever used unmixed with any other?—Oh yes, undoubtedly.

4490. It is used for the finest articles of that sort?—Yes.

4491. Have you ever observed any difference between East-India cotton coming from different parts of the East Indies?—The shortest of the whole is the Bengal cotton; it is the cotton for common stout calicoes for drawers and other heavy goods; the Madras is the next (that is between the two); Bombay is of the longest staple, and the most useful article, if properly cleaned.

4492. The Bombay cotton is not so long-stapled as the American?—It is very near; some part of it will make very good yarn indeed; and some part of the growth I consider that they very seldom transplant; they let the tree go on bearing for several years; they have taken no pains at all with it, I consider.

4493. You consider that it is best when it is sown annually?—I consider that East-India seed will either do for perennial or triennial planting.

4494. Does it ever remain in the same ground longer than three years?—I dare say it does so in the East Indies. I have often thought that they have not put down new seed for ten or fifteen years.

4495. Is the Sea Island an annual?—Yes.

4496. Is the Brazilian an annual?—No; triennial.

4497. Are you aware whether the ground requires any previous preparation for the cotton plant?—I do not understand the cultivation of it. Ever since the embargo and non-intercourse years I have always been thinking of it, and which would be the best to recommend, because I saw the importance of an ample and secure supply.

4498. When you talk of triennial cotton growth, do you mean that the cotton does not bear for three years, or that it lasts for three years?—It lasts for three years, and after that it is pulled up and fresh seed put in.

4499. Do you conceive that the inferiority of the East-India cotton arises chiefly from want of due cultivation?—No; I

25 May 1830.

Mr. J. Bruddock.

consider it to arise from the want of new seed. Some of it is nearly half dirt; and there is no strength in it—no virtue at all.

4500. Have you reason to believe that by improved cultivation, and by selection of seed, the Bombay cotton could be produced to equal, or nearly to equal, the Sea Island cotton? —I have no doubt that as good and as useful cotton can be grown in the East-Indies as in America; and the cotton from this or kidney seed will produce, I have no doubt, four times the quantity which the present growth of Indian cotton does, and be much more easily cleaned.

4501. Do you conceive that from its being so much more easily cleaned superior machinery is not necessary?—By no means, it can be so easily done by the hand.

4502. You stated that there are a variety of species of qualities of seeds, will you state what they are, and what you consider to be the best?—The best for producing quantity and quality are undoubtedly the black kidney seeds; the kidney seeds I should recommend in particular are those I did to Mr. Robert Owen, whom I addressed once on that subject; the Surinam, the Pernambucco, and Cayenne; those are the three I should recommend.

4503. Is that the species of seed from which the Sea Island cotton is grown?—That is from Persian seed. I never saw a complete pod of it; but I know it is a very small seed, as compared with the Brazilian, and very heavy of the kind; it produces the very finest cotton. There is some growth of it now in our island of Barbadoes which fetches a very high price.

4504. You have spoken of the same cotton plantation remaining for a number of years in India; do you mean to say there is any cotton which never requires being renewed?—Certainly there is. We have had sent us over so much of the inferior article, I think it has been gathered in the most slovenly manner, and most negligently attended to in the cultivation.

4505. Is the plant there perpetual?—It is triennial, I should apprehend.

4506. Have you seen any cotton from the western coast of Africa?—Yes; I once saw two or three parcels that John and Alexander Anderson imported; but it was grown from the wrong seed—the Carthagena, which seed will not answer any where, I am sure; the seed was taken from Carthagena, the worst cotton almost to manufacture of any that is grown; it lies in strings.

4507. Has there been any change in the cottons brought from India, within your knowledge?—No, no change in the seed; we have had nothing but the old native growth.

25 May 1830.

Mr J. Braddock.

4508. Nor much change in the manner of sending it over?—The very same.

4509. There has been considerable variety in the different parts of the country from which it comes?—No; it runs very much alike in staple; some is better cleaned; but in the length of the fibre there is very little difference, if any, in the growth of the three presidencies singly.

4510. Does the facility of cleaning the cotton vary according to the seed from which it has been grown?—No doubt of that. The green seed always requires ginning; but the black seed, I consider, can be taken out by the hand, which no doubt is an advantage to the article, as the gin not unfrequently cuts the fibre.

4511. Do you know any thing of the cotton manufactured at Dacca?—I do not recollect ever seeing any from Dacca. I once saw in the East-India House an article which was sent over from the Mauritius as cotton, and was brought on at the India House to be sold as cotton. I could not tell what to make of it; and my remark upon it in writing was, "Thistledown of gold colour;" and I saw another of silver colour. I got the hatters to make trial of it instead of beaver; but they could make nothing of it; it was too weak in the staple; but I think, if grafted on a good fine healthy cotton tree of the black kidney seed, it would strengthen it, and give it substance for carding and spinning.

The Witness is directed to withdraw.

Mr. GEORGE AGNEU CARRUTHERS is called in, and examined as follows:

Mr. G. A. Carruthers.

4512. In what line of business are you engaged?—I was engaged in the Brazils as a shipper of cotton.

4513. Were you long in the Brazils?—I went there in 1813, and at different periods to the year 1827.

4514. Were you extensively engaged in the purchase of cotton?—Very much so.

4515. Was the cultivation of cotton in Brazil extended during that period?—It was rapidly, at that period, owing to high prices; but it is decreasing at present, from the extremely low prices in the Brazils and in Europe.

4516. Is there a difference in the quality of Brazilian cotton?—Yes, there is; the cotton produced in the southern provinces is of a shorter staple and an inferior article.

4517. Is there any cotton in the Brazils at a distance from the sea?—It can be cultivated in any part; but the want of roads makes it not worth while.

4518. Is the cotton cultivated in the interior of as good

25 May 1830.

Mr. G. A. Carruthers.

quality as that cultivated near the sea?—The cotton in the interior is better; the cotton near the coast is woolly, from the sandy nature of the soil; the upland cotton has a better staple, but the produce is smaller.

4519. Is the cotton very superior in the interior?—It is. The coast near the sea, in the northern provinces, has evidently been recovered from the sea at no very remote period; the soil is sand and shells, and very arid.

4520. Does cotton require a very rich soil?—No; a soil which has produced a good deal of timber. No land can be appropriated to cotton which has not been covered with trees (they are burned for manure), which is a positive proof it is a strong soil; but there is no very strong soil in Brazil.

4521. Will you describe what are the other peculiarities of soil and climate which in your opinion are most conducive to the perfection of the cotton plant?—I can only speak from the positive experience I have had of what the different climates produce. I found that in the warm countries near the line the cotton is best; and when we come southerly it is very short in the staple, and very woolly.

4522. Is the seed the same in both places?—Apparently.

4523. Whence was the seed used in the Brazils imported?—I do not believe it is known. It is cultivated very differently from the North American, I understand.

4524. You have witnessed the cultivation in the Brazils?—Repeatedly; and the process of cleaning.

4525. Describe the difference in the manner of cultivating the cotton in North America and the Brazils?—In the province of Pernambucco, which is the best cotton province, after the land is cleared, at the commencement of the rainy season, about the month of March, the seed is planted at considerable intervals. The plant gives the first season, is still more productive the second year, and tolerably productive the third; and after the third year it is usually abandoned.

4526. Is the same land again cultivated with cotton?—No; it must be fresh land.

4527. What interval of time is necessary?—After the third year, it is usually abandoned, and the land left fallow.

4528. For how long a time must it continue fallow before it is grown upon that land again?—They have it so very plentifully that they seem never almost to resume it.

4529. Describe the mode of cultivation in the United States?—I never have been there.

4530. Describe the mode of cleaning the cotton in the Brazils?—Three bars of iron about the size of that candle revolve one upon another, turned generally by a hand-wheel;

25 May 1830.

Mr. G. A. Carruthers.

the cotton in its rough state is placed on the one side, and drawn through by the motion of the rollers, subsequently beat with sticks to take out the dust, and finally the broken seeds and other impurities are picked out. Children generally are employed in this operation.

4531. What part of that operation is called ginnin?—We have not the improved machinery of the United States.

4532. Have you ever had an opportunity of comparing the machinery used in the Brazils for cleaning the cotton with that used in North America?—There was an Englishman brought out a most expensive machine for cleaning the cotton, but it failed entirely.

4533. Is great care required to effect the cleaning of the cotton?—The Brazilian cotton is very clean; they are very careful to take any thing like seeds or yellow spots from it.

4534. Is labour very cheap there?—Yes, in respect of cleaning of the cotton, as it furnishes a useful employment to the children of the negroes, who would otherwise be doing nothing.

4535. Probably it is cleaned in the Brazils with much more labour and toil than it would be if labour was dearer?—I think it is.

4536. Do you think that increases the value?—Certainly; because there is less carding at Manchester in consequence.

4537. Can you at all estimate its increased value in consequence of its superior cleaning?—It would not be less than 5 per cent. certainly.

4538. Is the cotton hard packed for its transport to this country?—Not so hard as it is in India.

4539. Do you consider that the pressure deteriorates the value of the cotton?—I cannot answer that question.

4540. Do you think that if the Brazilian cotton were shipped in a dirty state, the cleaning could be performed so well in this country as it is in Brazil?—Never having been engaged in manufacture, having been a merchant, I am not capable of answering that question.

4541. Would it be possible by any machinery to clean it so perfectly as it is done by hand?—I have been told that the effect of machinery is to hurt the cotton; that the great tenderness of the Brazilian cotton will not sustain it.

4542. Is there such a quantity of land applicable to the cultivation of it in that country as to produce any quantity of cotton which may be demanded?—I should think there is; but the cultivation of cotton labours under a great drawback in consequence of the exactions of the government; cotton pays a very exorbitant duty, which was laid on when cotton was three times its present price, and which has never been reduced in

consequence of the fall; I wonder how the planters keep on at all.

4543. Are the districts from which the cotton comes now almost entirely on the sea coast?—The only part of Brazil cultivated is the sea coast; all along the other is perfectly uncultivated.

4544. By what labour is cotton produced; by free or slave labour?—By slave labour exclusively.

4545. What is the price of free labour?—That is not known in the Brazils, except in handicraft trades.

4546. Have you estimated what is the value of labour in the Brazils as compared with labour in England?—Much higher.

4547. Consequently much higher than it is in India?—Much more so. There is a sort of qualified labour of the native Indians; individuals who are in the hands of a conductor, and made to work; but they are so very lazy it is almost impossible to get them to work, especially where there are fruits and other vegetable food in season; they will elope.

4548. You can hire slave labour, which gives you a guess at the price?—There are some persons who live by that alone; but it is extremely high.

4549. Can you state at all what it is?—I could not get a slave at the very lowest under 2*s.* 3*d.* a day, besides giving him food; and there are only certain periods of the day they can work; from the heat of the sun, they are obliged to retire.

4550. Is the labour required for the cultivation of cotton severe?—Indeed I do not think it is; it is severe clearing the land in the first instance, as they have to cut down the timber and burn it; but afterwards it is by the hoe.

4551. What becomes of the land which has been abandoned for cotton cultivation?—They very often resume it for the growth of the farina or tapioca.

4552. It is never again applied to the produce of cotton?—It might, after a distant period, if they wanted the land; but they have a very extensive country uncultivated.

4553. Has any instance come within your knowledge of its being so reapplied to the production of cotton?—Hardly ever.

4554. Do you consider it to be improper for that purpose?—I do not think it would be, after it has lain a proper time; the only manure they apply is the ashes of wood; and as soon as a sufficient quantity of vegetation has sprung up to burn over again, they can cultivate the land with ash, as it affords a sufficiency of manure.

4555. Do you know the comparative price of Brazilian cotton in the Liverpool market with American cotton?—It is more

Mr. G. A. Carruthers.

valuable, except occasionally the very fine Orleans or the Sea Island.

4556. From what cause did the machine imported by the Englishman fail?—He found it impossible to get the country people to bring their cottons to his machinery; by doing so they put out of employ numerous hands that could not be otherwise employed.

4557. Have you not stated that you thought the fibre of the cotton was injured by the machinery?—They had an opinion there that the fibre of cotton was injured by machinery. I saw some cotton cleaned by this machinery; it was remarkably clean. I do not mean to say that the fibre might not be hurt. It would not pay; the trade did not give it that preference which I think they ought. It was a transaction we all had our eyes fixed on.

4558. Was that machine you speak of a very large machine?—Yes, a very large complicated machine.

4559. The other machine of which you spoke is a small machine?—Yes; and it is in use at this time.

4560. Are the slaves you mention African slaves?—Yes; African slaves, or the descendants of African slaves.

4561. Are there no slaves obtained from the Indians?—No; the slaves come from Mozambique, Angolla, Benguella, and, contraband, also from the North of the Line.

4562. Are the Indians in the interior ever reduced to slavery?—A qualified slavery; they are obliged to work under the care of a conductor, who receives a portion of their labour.

4563. Can you state whether the slave population upon a cotton plantation keeps itself up generally?—On no plantation in Brazil do the slave population keep themselves up. I do not know whether they will now; but they, the masters, went on the principle of neglecting their slaves, and supplying themselves at a very cheap rate; I have known them sold at twenty pounds a piece.

4564. During the time you were there, there was a constant importation of slaves?—Very great indeed.

The witness is directed to withdraw.

Mr. ALLAN CAMPBELL DUNLOP is called in, and examined as follows:

Mr. A. C. Dunlop.

4565. What is your occupation?—I have been an indigo planter.

4566. In what part of India have you resided?—In Bengal, in the district of Jessore.

4567. How far is that from Calcutta?—About 130 to 150 miles.

4568. Did you become acquainted while you resided in India with the cultivation of cotton, and any other Indian products except indigo?—Very little. 25 May 1830.

Mr. A. C. Dunlop.

4569. In what year did you go out to India?—In 1806.

4570. Had you a licence from the East-India Company?—No.

4571. You obtained when you arrived a permission from the Company?—A local licence from the government four years afterwards.

4572. How did you occupy yourself in those four years?—As a planter; learning the plantation system.

4573. You carried out no capital of your own, probably?—I found a capital when I went there.

4574. You borrowed it?—I had it given me by a relation.

4575. Had you likewise borrowed money?—Yes.

4576. What interest did you pay?—Generally twelve per cent.

4577. What security, if any, did you give to the house that advanced you money?—After getting into debt, securities by insuring my life.

4578. What extent of land did you occupy?—About 25,000 begas, or 12,000 acres probably.

4579. Do you mean that you advanced to the ryots who occupied that quantity of ground?—Yes.

4580. Did you hold a lease?—Leases indirectly.

4581. To what extent?—That I cannot say.

4582. Did you cultivate yourself any portion of that land you held on lease, or only make advances to ryots, in the same manner as you made advances to other ryots?—I held very little on lease; my cultivation was all through the ryots.

4583. By advances to them?—Yes.

4584. What advantage did you derive from possessing that lease?—Merely to keep out competition; to keep the other planters from possessing that land.

4585. From interfering with you in your engagements with the ryots?—Yes.

4586. When did you leave India?—In 1826.

4587. Did your business continue profitable?—At first it was very unprofitable; up to the year 1819 it was very much involved in debt.

4588. It afterwards became more profitable?—It did.

4589. Was the profit such as to enable you to pay the twelve per cent. interest you engaged to pay to the person who advanced the money to you?—Not for the first twelve to fifteen years.

4590. During all that time you carried it on at a loss?—Yes.

25 May 1830.

Mr. A. C. Dunlop.

4591. Do you apprehend there were any particular circumstances in your position which occasioned that loss, or that it was the usual debt of other adventurers?—It was from the competition in Bengal in general; from the great number of foreigners allowed to settle there, retiring from the native services in the conquered territories. The Company allowed all their pensioners withdrawn from the native powers to settle, to save the pensions; and they were not allowed to go into the interior of India, but to settle in Bengal, near Calcutta; and from the great competition for ten or fifteen years there was no profit.

4592. Did any native Zemindars engage in the manufacture of indigo?—A great many.

4593. Whom did they employ to superintend the manufacture; natives or Europeans?—Both.

4594. Did that competition materially interfere with your profits?—Very much.

4595. Are they at present manufacturers of indigo to as large an extent as the Europeans?—Not to the extent of the Europeans.

4596. But the manufacture by them is increasing?—I believe it is.

4597. Do they carry on their business with borrowed money? —I should suppose not.

4598. What was the interest to be obtained in the government funds at the time you paid twelve per cent. to the houses from which you borrowed?—At first, when I arrived in India, eight and nine per cent.; it afterwards fell to five and six.

4599. Did the interest you paid continue the same?—Yes; while I was in debt it continued the same, up to 1819.

4600. What reduction took place then?—I got out of debt, and no longer borrowed any money after that; then I think it continued eight or nine per cent. to the agents.

4601. Do you know what interest they allowed their customers?—Eight per cent.

4602. At the time you paid twelve?—Yes.

4603. When the interest you paid was at eight or nine per cent., what interest did they then allow to their customers?—Six and seven per cent.

4604. A little above the rate of interest that was obtained in the governments funds?—Yes.

4605. Do you apprehend that a very large portion of the capital engaged in the manufacture of indigo was lent by those houses?—I believe the greatest part.

4606. There were very few indigo manufacturers who had capital of their own?—Very few, or none.

4607. Do they find any difficulty in disposing of manufactories when they leave the country?—Not generally. 25 May 1830.

Mr. A. C. Dunlop.

4608. Have there always been persons ready to borrow money, and take their places?—Yes; agents; friends whom they push on merchants.

4609. Is the capital engaged in that speculation much larger now than it used to be?—A great deal, I should suppose.

4610. Is it the profit to be made for the speculation, or any other circumstance, to which you attribute the increase of capital employed in that manner?—I do not think the profit is so great.

4611. There is a greater difficulty in remittance to England, which detains money in England?—Yes.

4612. Has it appeared, that upon the whole it made a profitable speculation to those engaged in it?—Yes; the last ten years in particular.

4613. Is it at present?—I cannot say; it is four years since I left.

4614. You say that the cultivation of indigo, though unprofitable for many years, then became profitable?—Yes.

4615. For how many years was it profitable?—About six years before I left India.

4616. It was upon the whole profitable?—Yes; the price of indigo rose so much.

4617. Have you seen cotton cultivated in India?—Yes.

4618. In what part of India?—In Bengal.

4619. Near the sea?—No, not near the sea; in the interior.

4620. Was it an annual or a triennial plant?—Annual in Bengal.

4621. Did it appear to be a profitable cultivation?—Rather so to natives; more attention is paid to it by them than indigo generally.

4622. Does it require manure?—The natives in India do not give manure generally.

4623. Did they use the same land for cultivation of cotton in successive years?—I believe they did.

4624. For several successive years?—Yes.

4625. Did you see any machines used by them for the purpose of cleaning it?—In Calcutta I did, but not in the country.

4626. Of what nature were those machines?—A kind of bowstring.

4627. You saw no European machinery?—No; there has been no great deal cultivated in the part of the country where I was.

25 May 1830.

Mr. A. C. Dunlop.

4628. In what manner was the bowstring applied to the cleaning the cotton?—Entirely by the hand.

4629. Was it done by children?—No; by men, and sometimes by females.

4630. Did they appear to take great pains in cleaning the cotton?—I am not aware of that; I did not see any particular attention.

4631. At what rate can you obtain labourers for the cultivation of cotton or indigo?—About six to eight shillings a month; three to four rupees.

4632. Do they feed themselves?—Yes, they do; the common labourers.

4633. Do they do much work?—They must be very strictly looked after, and kept to their work.

4634. Were you ever in a country in which slave labour was employed?—I have been in America.

4635. Did the common labourers of India perform the same work as the slaves in America?—Not so much.

4636. Did you employ any Europeans in your manufactory?—Several.

4637. At what wages?—Generally about 100 rupees a month to 200 rupees.

4638. Were they native Europeans or half-caste?—Generally Europeans, but I have had both.

4639. What could you have obtained the services of natives for to perform the same work?—We could not have trusted to natives to have done the duty in the same way. I got them at from thirty to forty rupees.

4640. How did those Europeans get out to India?—Most generally young men that went out on board ship, stewards of ships, and others that got their friends to transmit them out, and left the ship.

4641. Do the natives who manufacture indigo pursue exactly the same process of manufacture pursued by Europeans?—Yes, but not with the same attention.

4642. Are they improving in their mode of manufacture?—Yes; they are paying more attention; formerly they were very careless and inattentive to the manufacture.

4643. Did it appear to you, while you resided in the country, that more capital was employed in the cultivation of land than had been when you first went there?—Yes, a great deal more.

4644. Did the people appear to improve in conduct?—Most certainly.

4645. You speak only of Jessore?—Of Jessore particularly; I have not been out of Bengal.

25 May 1830.

Mr. A. C. Dunlop.

4646. Have you had an opportunity of seeing sugar cultivated?—Yes.

4647. Has there been much improvement in the quality of sugar grown?—I do not suppose there has been much; the natives are generally against all improvement, or breaking through any of their old customs; they are generally very indolent.

4648. Are you acquainted with the mode of the cultivation of sugar yourself?—No; but I have seen it; it is very common in the part where I was.

4649. Do you think it could be materially improved without the aid of machinery?—I think it could.

4650. You think that if Europeans were allowed to cultivate it, a very material improvement might take place?—Yes, I think that it might.

4651. Have not Europeans the same facility for engaging in the cultivation and manufacture of sugar as they have for engaging in the culture and manufacture of indigo?—I should suppose they have the same.

4652. Is the manufacture of sugar carried on by natives of the description to whom you have already alluded?—Yes.

4653. At about the same rate of wages?—Yes.

4654. Are there any sugar plantations carried on by Europeans?—I believe there are in the interior, but not in my neighbourhood.

4655. Do you conceive the natives better calculated or more likely to engage with advantage in the manufacture of sugar, indigo, or cotton?—In sugar and cotton, rather than in indigo.

The witness is directed to withdraw.

Ordered, That this Committee be adjourned to Friday next, one o'clock.

Die Veneris, 28° *Maii* 1830.

The Lord President in the Chair.

ROBERT RICKARDS, Esq. is called in, and further examined as follows:

28 May 1830.

R. Rickards, Esq.

4656. Will you turn to No. 2 of the Account of the Finances of India which has been laid before this Committee, page 14; what is that account?—It is an account of the total annual amount of the revenues and charges of the several presidencies in India from the year 1809-10 down to the year 1826-27.

28 May 1830.

R. Rickards, Esq.

4657. What appears upon that account to be the surplus revenue and surplus charge for those years?—The two last columns of this account, entitled "General Result," contain, the one the surplus revenue, and the other the surplus charge. I have cast them up; and the surplus revenue appears to be £4,036,928, and the surplus charge £20,181,493; therefore leaving a surplus charge on the whole account of £16,144,565, according to an analysis which I beg leave to submit to your Lordships' inspection.*

4658. This account is entirely confined to the territorial charges?—Entirely.

4659. It professes to comprise all the territorial charges, both at home and in India?—In the year 1813, similar accounts that were then laid before the Select Committee of the House of Commons professed to contain, under the head of "Charges," every political expence incurred abroad, including the increased expenditure occasioned by the Mysore, Mahratta, and other wars, the Egyptian expedition, and the equipments for the reduction of our European enemies in the Indian seas; in the words of the Committee, "every charge incurred in the defence of their possessions in India;" I therefore presume that this Account, No. 2, is drawn out on the same principles, and therefore contains, not only all the charges and expences of a period of warfare in India, but the whole of the territorial charges paid in England.

4660. In your opinion, is the amount of surplus charge above revenue during those years correctly stated?—I have always been of opinion, since the year 1813, that these accounts exhibited on the face of them a large surplus revenue; official documents, as well as authentic writings, now extant, confirm the fact, that there has been a large surplus revenue from our territories in India ever since we got possession of the Dewanny in Bengal. It is so stated in publications by Mr. Verelst and Mr. Hastings, former Governors-General of Bengal. From these publications we learn that large sums of money from the revenues were annually supplied for purchases of investments for Europe and for China. On some occasions the Court of Directors were so anxious to procure investments from abroad, that they directed their governments in Bengal, not only to purchase to a large amount, but to send home goods, even though those goods might be attended, upon the sale of them in this country, with actual loss. Ever since the year 1793, regular accounts have been laid before parliament similar to the one I have now under examination; and in the year 1813 I published a small work containing an analysis of those accounts, in which it appeared to me to be made out unanswerably that the excess of charges from 1793 to 1808-9 would in no degree account for the increase

* See post, p. 630, Paper A.

of the Indian debt. It therefore followed that if the principal of the Indian debt was not incurred on a political account, the interest on the debt ought not to be inserted as a territorial charge. The sum of interest paid on debts for that period was £20,083,569, whilst the net increase of debt for the same period was £20,905,194; it therefore took the whole sum of borrowed money or principal to pay the interest alone during the period in question. The way in which the debt has occurred is simply this: the governments abroad, in execution of the instructions they received for the purchase of investments for Europe and China, send orders upon the revenue treasuries of different parts of the country in favour of the commercial residents, to the amount of several lacs of rupees, to be applied as required in the purchase of goods; this revenue being abstracted from the territorial funds, when wars occur in India there is a deficiency for the expences of those wars, and then loans are recurred to to supply that deficiency; but the deficiency having occurred in consequence of previous advances being made to the commercial department, it is clear that the commercial department ought to bear the burden of that loan, and not the territorial. If therefore the principal of the debt does not appertain to the territorial head, it is quite clear that the interest on those debts ought to be similarly excluded from this account; and if the sum total of that column be deducted from No. 2, it will leave an actual surplus on this account of £16,743,410, besides other items.

4661. Putting the debt entirely out of the question, during a long series of years, does it, upon the accounts of the East-India Company themselves, appear throughout that the revenue has exceeded the charge, notwithstanding the expence attendant upon wars?—If the debt is excluded from this account, it is quite clear that there has been a surplus, after paying all the territorial charges in England, from the year 1809-10 to 1827-28, of the sum I have just mentioned, together with other items, which in the way of adjustment would also attach to this account. As regards the former period, I have also shewn in another place that a large surplus existed.*

4662. In your opinion, is the debt solely or principally incurred by losses upon remittances?—The only reference to be drawn from this fact is, that the whole debt must be commercial, and therefore partly incurred from the manner in which remittances to this country are made.

4663. In your opinion, is a loss upon remittance by investment, rather than by bill, to be charged upon commerce and not on territory?—Certainly, upon the commerce, in as far as the advance is made for commercial purposes.

4664. Could the territorial charges incurred at home be re-

* See post, page 631, Paper B.

28 May 1830.

R. Rickards, Esq.

mitted without loss in any other manner?—I conceive there can be no difficulty at any time in making a remittance in bills, and more especially if the whole trade were in the hands of private merchants.

4665. Have there not been periods in which the loss upon remittance by bills would have been very great?—On the contrary, the remittance to this country, up to the year 1817 or 1818 has been very favourable; since that the exchange has fallen to rates bordering upon the real par, and is now regulated by the same rules and laws which govern exchanges with every other part of the world where commerce is free.

4666. Have you endeavoured to form an opinion as to what the exchanges would have been if the remittance of those large sums had throughout taken place by bills?—If the trade had been as free as it is now throughout the whole period here adverted to, there can be no doubt that the exchange would have been regulated upon the same principles which now operate upon it.

4667. You are aware that in the year 1813, by the Act of Parliament establishing the present charter, a separation was established between the commercial and the territorial accounts of the Company?—I have understood that it was so. I have read the Act of Parliament; but I understand there was a paper prepared and printed, containing the principles upon which the separation was ordered to take place; that paper I have not seen; it has never fallen into my hands.

4668. Are you not aware that previous to the year 1813 the commercial and territorial accounts were confounded, and that subsequently to that period they have been separated, under the Act of Parliament?—The Act of Parliament requires separation of the territorial and commercial account ever since the year 1813, but there has been no such thing as a satisfactory commercial account laid before the public from that time down to the present.

4669. Are you not aware that by the Act of Parliament the Company can only take from the territory sums in repayment of sums paid by the commerce for the territory in this country?—The Act of Parliament requires advances to be made in India sufficient to cover territorial payments in England; but it does not, as I conceive, restrict advances absolutely to that limit, and they would accordingly appear to have considerably exceeded it.

4670. Do you mean that the advances in India have been larger than the advances for the territorial purpose in England?—Yes; and here is an account before me which shews it.

4671. Are you not aware that if that has been the case both the Directors of the East-India Company and the Board of Controul must have violated the Act of Parliament?—That is

not for me to answer; as a matter of opinion, I should say not; but in allusion to the fact itself, here is an account, No. 13, of the Papers relating to the Finances of India and the Trade of India and China, in which it is stated that the total amount of advances made to the several presidencies and settlements in India, for the purposes of commerce, in so far as regards the purchase of investments to Europe, amount to £30,545,069 from 1814-15 to 1826-27, of which £24,338,050 were sums in repayment of territorial charges defrayed in England; whereas in the Account No. 2 the territorial charges paid in England amount only to £18,833,065, leaving therefore an excess of advance to the amount of £5,504,985.

4672. Are you aware that the interest of the Indian debt is first charged in the Indian accounts as a debt incurred in India, and that sums are set apart in India, in the account, to the payment of that interest; but that a very large portion of that interest being in fact paid in England, the funds for the repayment to the Company of that interest in England are remitted in addition to such funds as are necessary for the repayment of those charges which appear as territorial charges in this account? —That beyond doubt is the state of the case, as the accounts are now arranged; but if the whole revenues of India really yield a surplus over and above the actual charges, it appears to be of little consequence, as regards that surplus, whether those charges be wholly paid in India or partly in England; whilst, as to interest on debt, that should only be paid, in my opinion, out of that fund to which the principal fairly belongs.

4673. That is on the supposition that you are correct in considering that debt as a commercial, not a territorial debt?—Of course.

4674. You have stated that the sums issued in India for investments being issued for general purposes, and the issuing of those sums making such a deduction from the revenues of India as occasions an increase of debt for the paying of current expences, particularly in times of war, that debt so incurred should be considered as a commercial, not a territorial charge, inasmuch as it is incurred for making good the deficiency occasioned by investments for commercial purposes?—I conceive that to be the case; on the supposition, always, that there is that real surplus revenue which these accounts appear to exhibit.

4675. If, however, this opinion of yours be correct, that those investments in India are made for commercial purposes, still would not an excess of debt incurred in a number of years, beyond the sums issued for investment, be still chargeable to the territorial revenues? For instance, if two millions were issued in any one year for commercial investment, and a debt of four millions be incurred, would not two millions of that four be

28 May 1830.

R. Rickards, Esq.

charged to territory, and the other two, being required to make good the defalcation of revenue, in consequence of the commercial investments, be also charged to territory?—The question I presume supposes that a loan of four millions was necessary for the purposes of the state; two millions to meet local expences, and two to cover territorial charges in England by investment in goods. But on the presumption of there having been a surplus revenue throughout the whole of the period here adverted to, there would have been a sufficiency of territorial funds to have answered the whole expenditure of four millions, without the necessity of a loan; it therefore follows that all borrowing in such a case is or ought to be considered purely commercial.

4676. In that answer you first suppose that there has been a territorial surplus, at which supposition you only arrive by striking out the whole interest of the debt from the charge on the territory of India; then you say, that there having been this surplus, at which you only arrive in that manner, all debt incurred must have been for commercial purposes?—I think I have clearly proved, in the publication before referred to, that there was a surplus revenue in India to a very large amount between the years 1793 and 1808-9. If then that surplus revenue really existed, what I contend for is, that there could have been no occasion for borrowing money for political purposes: and consequently, that if the principal of the loans in India does not attach to the territorial department, neither can the interest upon those loans; and these are the grounds which induce me to think the interest on debts should also be excluded from the Statement No. 2 now before me.

4677. You have been asked whether you are not aware that previous to 1813 the commercial and territorial accounts were confounded, and that therefore it was extremely difficult to discover what was the actual surplus of territorial revenue, what portion of the investment proceeded from the application of commercial funds, and what portion from the application of territorial funds, in repayment of territorial advances?—As the accounts now stand, there is some difficulty in separating the territorial from the commercial departments; but the territorial accounts, being the simplest, are more capable of being analysed than the commercial; and according to the view which I have taken of the revenue accounts, particularly of this Account, No. 2, which is in fact a cash account of receipts and disbursements, the surplus which I have contended for clearly exists. It might be shewn or corroborated by other statements prepared also from these accounts. I hold one in my hand, a statement taken from the accounts contained in this collection, which strongly corroborates my view of the Account No. 2; but it is not sufficiently precise to be considered as a perfectly accurate statement, inasmuch as it admits of various adjustments, but it will serve to show, as a general result, that there has been

throughout the whole of the period adverted to, from 1793 to 1827-8 inclusive, an increase of debt far beyond what can be accounted for by the excess of political charges. In this Statement I take the accounts as they are exhibited in this collection, and without making any deduction on account of the interest on debts; and it stands as follows: 28 May 1830. *R. Rickards, Esq.*

On the 30th of April 1793, the Indian debt is stated in Appendix No. 7 to the Second Report of Select Committee, to have been		£7,971,655
Ditto ......1809......ditto......as per ditto		30,876,788
Net increase		22,905,123
Whilst the excess of political charge, as per No 6 of Appendix to the same Report, and No. 11 of the Third Report for the same period, was only	£5,078,015	
And the political charges paid in England, as per No. 46 of Appendix to Third Report, (the Committee, however, doubting whether the whole were properly chargeable to the territorial head,)	6,138,448	
		11,216,463
Difference to be accounted for		£11,688,660

So that the amount of loans had exceeded the total amount of surplus charges during that period in no less a sum than £11,688,660. This is the result of the official documents referred to, without a single deduction on account of interest, or of any other charge contained in the official documents. Again:

On 30th April 1827 the Indian debt is stated, in No. 4 of Papers relating to the Finances of India, &c. February 1830, to be		£42,870,876
Making, therefore, the increase of debt since 1793 ...		£34,899,211
Now, as the surplus charge from 1809-10 to 1826-27, as per No. 2 of the same Papers, &c., is only..................	£13,589,894	
And the surplus charge of the former period, as above	11,216,463	
		24,806,367
There is still a difference to be accounted for of		£10,092,854

That is, the difference by which the increase of the debt in India has exceeded all the political charges included in these official documents.

4678. That is taken from the accounts of the East-India Company?—It is.

28 May 1830.

R. Rickards, Esq.

4679. Your own view, and your own statement, go much beyond that?—They do; for this is a surplus after paying the whole interest, together with every other charge claimed to be political; whereas if the column of interest were excluded from the account the surplus would be much greater.*

4680. You are aware that when the territorial and the commercial accounts were separated, it was understood by the Board of Controul that the debt of India was a charge upon the territory; but it never was determined, nor has been to this day, whether the bond debt in England is a commercial or a territorial debt, or in what proportions to be divided between those two accounts, the Company declaring that the loss is chargeable to the territory, it having been held by the Board that if not the whole certainly a portion is chargeable to commerce?—I am aware that it is so stated in memoranda appended to accounts, but the interest on bond debt is nevertheless included in the Company's accounts under the head of "Commercial Payments;" and if my view of the Company's accounts be correct, and there be that surplus revenue which appears to me to be the case on a careful examination of these documents, then the whole of the debt both at home and abroad must be commercial, and can be nothing else.

4681. You only arrive at that surplus revenue by taking it for granted that the whole debt is a commercial debt?—I do not exactly take it for granted, because I think I have proved in the publication before referred to, and in the analysis which I hold in my hand, as well as of the Account No. 2 as of the former period, that there has been a large surplus revenue exhibited by the public accounts since 1793 to the present time.

4682. Are you aware that it has been stated to this Committee that the average out-turn of the rupee remitted in goods, deducting interest, since the commencement of this charter, has been 2*s.* 2*d.* $\frac{60}{100}$; and that the rupee, if it had been remitted in bills at a mercantile rate of exchange drawn from Calcutta, deducting twelve months' interest, included in the rate, would have been 2*s.* 1*d.* $\frac{69}{100}$; that the difference therefore in favour of remittance in goods is 1*d.* the rupee; and that the advantage derived by the Company since the commencement of the charter from remitting in goods rather than merchants' bills is £800,660?—I am aware that a difference has been calculated in reference to the exchange, but I cannot say from recollection what that difference amounts to, upon the whole of the Company's remittances from India.

4683. Have you yourself looked at the rates of exchange which have prevailed since the commencement of the charter, and formed any statement of the average rate which has prevailed since that period?—I know what the average rates of

* See post, page 632, Paper C.

exchange have been since the commencement of the present charter; and from examining such of the Company's accounts as are in print, I perceive the rates of exchange at which the Indian currency is therein converted into sterling money; I am fully aware that those rates exceed the established or ordinary rates of exchange between India and England in the latter years, or from the year 1817 or 1818.

4684. Are you not aware that when in evidence the out-turn of the rupee is spoken of in goods, no reference whatever is made to the rate of exchange?—I have always understood that the Company represent themselves as having sustained a considerable loss in consequence of the rates of exchange they are compelled to adopt.

4685. The loss the Company sustain by means of what is called the Board rate of exchange is in the repayment in India to them, for their advances for territorial purposes in this country, of a smaller quantity of money than they would receive if they were repaid at the mercantile rate of exchange at the present time; but that has no reference to the profit or loss in the remittance of their revenue so received by them in India to England in goods; when the out-turn of that rupee is stated, the real result of the mercantile adventure is stated by which that rupee is remitted to this country in goods?—Then the profit or loss sustained on that adventure must be taken into account. The remittance, when made in goods, must be profitable to yield them a better rate of exchange than the ordinary rate; but I have no knowledge of this being the case.

4686. When the out-turn of the rupee is spoken of as remitted in goods, no reference is made to the rate of exchange; it is considered to be one transaction, the remittance of the rupee to England in goods; and when the Company speak of the general effect of their operations, as persons advancing here from commercial funds to the territory, and receiving repayment in India at a fixed rate of exchange below the mercantile rate of exchange; in looking at the whole of their transaction, beginning in this country with the advance to territory, and ending in the repayment in England according to what may be the out-turn of the rupee, in that respect the rate of exchange is undoubtedly taken into calculation?—I do not exactly understand the difference, or how the Company in this respect arrange their accounts.

4687. Are you aware that there are two transactions before the Company receive payment in this country of what they advance from commercial funds in this country for territorial purposes; that the first transaction is the advance in this country of its funds, and the repayment in India of those funds by the territory at a fixed rate of exchange; that at present upon that first transaction there is considerable loss, the Board rate of

21 May 1830.

R. Rickards, Esq.

exchange being much more unfavourable than the mercantile rate of exchange? Then the second transaction consists in the remittance to England in goods or in bills of the sums received by the Company in India from the territory, in repayment of those advances made on the territorial account in England. On that second transaction there may be a loss, or there may be a profit; but in considering the result of that transaction it is not necessary to look at the first transaction, which terminates in the repayment in England of the sums advanced here for the territory; but that the Company, when they look at the whole result of the account, beginning with the advance in this country of the funds for territorial purposes, and ending by the repayment in this country of the sums so advanced, must undoubtedly place against whatever profit they may make by remittance to England and repaying goods, whatever loss they may sustain by the unfavourable rate of exchange in the first transaction; or, if there be loss in the second transaction, to that loss they must add the loss sustained in the first?—In the way in which the accounts are now stated to be kept, the loss on the first transaction adverted to in the question would appear to be sustained; but, according to my view of the case, the advances for territorial charges in this country are made in the first instance out of the revenues of India, and remitted in the shape of goods to this country; as to which mode of remittance there has been sustained a considerable loss also, as certified in No. of "Accounts and Papers, March 1830." I should however consider the whole as one transaction, for which commerce receives advances in India at certain rates of exchange; and if the Company have chosen throughout the whole of the period of their last charter to make their remittances in goods, notwithstanding the obvious losses which they have sustained in each year, as well in exchange as by the sale of goods in this country, they must be content to bear that loss, more especially as the law leaves the mode of remittance optional with themselves. It cannot, in my opinion, at all attach to the territorial account, where I know it is wished to affix it.

4688. Are not those funds which are produced in this country by the remittance of goods purchased by payments in India by the territory in repayment of advances made by the commerce in this country for territorial purposes, properly commercial funds?—The accounts are so stated, I am fully aware; but my belief is, that those funds are not the result of actual commercial capital, but wholly supplied from the revenues of India in the first instance; in other words, that the revenue supplies the commerce with the means of carrying on all its commercial transactions.

4689. That is, by repayments?—For every purpose, including the charges incurred in this country.

4690. Do you suppose that the Company never made an

advance for territory from commercial funds?—It really does not appear from these accounts that they have; that is, from funds arising out of a real circulating commercial capital.

4691. In what manner must their advances for territorial purposes have been originally made, when, being a commercial body, they assumed the character of a power in India?—There are several authentic publications extant to prove that the Company's trade was most amply if not entirely supplied with funds from the revenue ever since their acquisition of power in India, or from the first of the Dewanny grant in Bengal. I conceive, therefore, that the whole of their original commercial capital is now either dissipated or fixed in buildings and other articles of dead stock; and that the whole of the active capital for commercial purposes is from year to year supplied by the revenues of India, and the revenues alone.

4692. Are you of opinion that the Indian trade, previous to 1813, was an unprofitable trade?—Quite so.

4693. That the China trade was equally so?—The whole trade taken together I believe to be unprofitable. I have an account before me for the year 1828-29, lately printed, which clearly shews it.

4694. That those two trades have been constantly unprofitable?—Yes; and the fact may be further inferred from the East-India Company having never furnished yet to the public such an account as I think the public has a right to expect of the out-turn of their commercial operations. There is in fact no commercial account of the Company's before the public that can satisfy a merchant of the result they contend for, or the realization of actual commercial profit.

4695. If that be the case, how do you arrive at the conclusions you do upon the subject?—I speak of the commercial accounts as being in so obscure a state that no satisfactory result can be drawn from them; but from the revenue or territorial accounts I think a more satisfactory result can be drawn; and the result which appears to me to be the only one deducible from the printed revenue accounts is the one which I have this day given to the Committee.

4696. If previous to the year 1813 the commercial accounts of the Company were unintelligible, and were at the same time mixed up with the territorial accounts, before the separation of the two accounts under the Act of 1813, must not the whole account be unintelligible, and must it not be impossible to come to any correct conclusion upon those accounts?—This account, No. 2, is a clear account as far as it goes; it is a cash account of actual receipts and disbursements, and all I should say with regard to this account is, that it does not contain all the receipts which it ought to contain for the purpose of this inquiry, and therefore does not exhibit so large a surplus as might be deduced from it under certain adjustments. I should

28 May 1830.

R. Rickards, Esq.

make the same remark in respect to a similar account which was laid before the Select Committee of the House of Commons of 1810, extending from the year 1793 to the year 1808-9, inclusive. That account, as well as the one now before me, was an actual cash account of receipts and disbursements, and the result of it was precisely that which I have already explained.

4697. What receipts are there which in your opinion ought to have been entered into this account which are not here?—In the account No. 2, there is a note referring to the year 1822-3, stating, "in this year the balance of the loan of £2,500,000 obtained from the public in 1812 was discharged, which amounted to £557,335." Now it appears from an Act which I hold in my hand, the Act of 3d George the IVth, chapter 93, that this was a loan made to the East-India Company in the year 1812, and that in 1822-3 this loan was reduced by sundry payments to £1,857,322, and that it was discharged partly by a claim on the part of the Company against the Government to the amount of £1,300,000 for sundry expences incurred by them on account of his Majesty's Government in India and at St. Helena, when the balance, or £557,335, was paid in cash, and therefore included, as well as the former sum, under the head of the charges of this account. If then the whole of that loan was liquidated, as would thus seem to be the case, by charges contained in this account, it is but fair that the account should also have credit for the sum borrowed; whence, if this £2,500,000 be added to the receipts, it would make the surplus so much larger.

4698. Does it appear that this account contains in any one year a statement of the sum raised by loan either in India or in England?—That is precisely the defect. I think it ought to contain the receipt of that £2,500,000 in 1812, since the liquidation of that loan appears to be contained in these charges, or else that portion of the charges should be deducted.

4699. Will you refer to No. 20 of the accounts, and state whether the receipt of that sum of £2,500,000 does not appear, as a loan from the public, in the year 1822-3, as one of the receipts?—It appears in that account as a loan in 1812; it is also continued in the Accounts Nos. 21 and 23, throughout the years 1815 to 1822 inclusive, when it appears to have been finally discharged in the way I have just mentioned; but the discharge of it being included in the political charges of the Account No. 2, it appears to me that the original sum ought similarly to be included in the receipts.

4700. Do you not find, on referring to No. 2, that that is a statement of revenues and charges of the several presidencies of India, and that the Account No. 20 is a general statement, showing the amount of the proceeds of the sales of goods and merchandize of the East-India Company in Great Britain, and of

28 May 1830.

R. Rickards, Esq.

their commercial and other receipts, charges, and payments in Great Britain?—Yes, those are the headings of the accounts.*

4701. If the receipt could not have appeared under both those accounts, the one referring to European and the other to Indian receipts, the payment appearing in the Indian payments, inasmuch as it must have been a remittance from India to discharge a debt incurred in England, yet if the receipt could not appear under receipts in No. 2, ought the charge, in your opinion, to be included in No. 2?—I think the charge should not be included; or, if it is, that the receipt should also be included.

4702. Does it appear to you that there are any items of actual receipt not from loan which are not brought into this account? —I was going to explain two other items, which may be said to have been omitted, or rather which may fairly be added in the way of adjustment, in this account No. 2; the one is referred to in the following note; referred to from the year 1823-4: "If the sum paid to the Nizam in this year for the redemption of the Peshcush were excluded, there would be shewn a surplus revenue in 1823-4 of £173,722." This peshcush or tribute, payable annually to the Nizam, was bought up in the year 1823-4 for a sum of money equal to sixteen years' purchase, or £1,201,201, as exhibited in the account No. 2, B. It would be perhaps more correct to spread this sum of £1,201,201 over the sixteen years instead of placing it all into one year at the end of the account No. 2, so as thereby to magnify these charges; I admit nevertheless that it was a cash payment made in that year, and therefore I would not contend for any sum on this account being absolutely added to the surplus; but if it were so spread over the sixteen years to which I refer, there would then only be a portion of it chargeable to this account No. 2, whilst £840,841 would remain to be placed to the account of subsequent years; this therefore may be either omitted or included; I merely remark upon it here, to explain the memorandum, and the nature of this particular item of charge; but there is another sum adverted to in these accounts, which is a loan from the Nabob of Oude in 1815-6 of £1,109,975.

4703. Where does that appear?—That will be found to be more particularly explained in No. 1, A. This sum, as stated in the note to the account No. 1, A., "was commuted for territory by the treaty of 1st of May 1816; the amount may therefore be considered as a deduction from the charges of the war against Nepaul, from which state the territory was conquered, and as increasing the Bengal surplus revenue to £3,051,442," instead of £1,941,467 given as the surplus of that year. Now as that sum of £1,109,975, or the equivalent thereof, is obviously included in these charges also, inasmuch as it constitutes a portion of the expences of the Nepaul war, so I

* See post, p. 633, paper D.

28 May 1830. — R. Rickards, Esq.

think ought the sum itself to be included in the receipts. These are items which present themselves on the face of the accounts before me; there may be others which would admit of being added to this account in the way of adjustment, but of which I have no knowledge from official documents; but according to the analysis which I have just given in of this account, the total actual surplus for the nineteen years included in it would amount to £21,194,226, if the whole adjustments be admitted, or to £17,853,385, if Nos. 1 and 2 be excluded.

4704. You have stated that the Commercial Accounts of the East-India Company are so kept as to give no intelligent results; could you give the Committee the form of an account which, if filled up from the documents in the India-House, would give that intelligible result?—I could not do that here; it would require some time to consider the form and matter of an account of such complicated commercial transactions as those of the Company appear to be; but if the books at the India-House are kept as the accounts of mercantile establishments generally are, there can be no difficulty in making out such an account.

When I was last before the Committee, having urged in my statement respecting the revenue system of India the great importance of particular attention, as well to its principles as to its effects, I could wish, with permission, to say a few words in addition to my former evidence on this subject.

The matters requiring most attention, as regards the revenue systems, may be classed under the following heads:—First, our revenue systems owe their origin to laws and principles peculiar to our predecessors the Mussulmans, according to which the ruling power assumes the right of being acknowledged sole proprietor of all the lands in his dominions: secondly, as a merciful consideration for saving the lives and granting freedom to conquered subjects, the Mussulmans also enacted, that one-half the gross produce of the soil should be the share of the sovereign; in the enforcement of which rent and revenue came to be confounded, and the whole class of landed proprietors, properly so called, annihilated, or reduced to beggary, or to become cultivating tenants, or labourers, on their own estates: thirdly, that the Company's government adopted these principles on succeeding to the Dewanny in Bengal in 1765, as well as in other provinces of India which have since submitted to our arms, without however attaching to them the condition of either loss of life or of personal freedom: fourthly, that half the gross produce of the soil of extensive dominions being utterly incapable of ascertainment, the imposition of such a rate as a land tax could never be otherwise than unequal in the extreme, and the collection of it arbitrary and vexatious: fifthly, that the extreme pressure of this exorbitant revenue has for ages kept down, and still keeps down, the great mass of the native inha-

bitants in the lowest stages of poverty and ignorance: sixthly, that hosts of native servants in subordinate situations, and with low salaries, are necessarily employed to collect this most oppressive and unequal tax, whose acts no vigilance on the part of Collectors or Judges has hitherto been able to controul, and whose extortions on private account, in addition to the public revenue, add irremediably to the wretchedness and poverty of the people: seventhly, that besides the excessive pressure of this tax, government, in the exercise of its sovereign proprietary right, has transferred by free grant in some instances, and by sale in others, vast tracts of country from its ancient hereditary possessors to persons named Zemindars; i. e. collectors, and to absolute strangers, which the ousted lawful proprietors consider, in their present state of habitual poverty, to be a greater calamity even than the tax itself.

Of these facts abundant proofs are now extant in various authentic writings, and more especially in four folio volumes of Revenue and Judicial Selections from Indian Records, printed by the Court of Directors, and liberally circulated for the use of their servants abroad; and were I to quote what these volumes contain in evidence on the subjects adverted to, it would only be to fill another. I shall therefore confine myself to a short remark on the last head, as connected with other parts of my former examination. When the zemindarry settlement was introduced into Bengal, the lands were made over in full proprietary right to Zemindars, hereditary collectors under the Mussulman administration, from our being then ignorant that actual proprietors existed, called in Bengal village Zemindars, cultivating Zemindars, village proprietors, &c. Subsequent inquiries, however, have brought to light that these proprietors had managed to preserve a record or undisputed tradition of their rights throughout all the rigour of eight centuries of Mohammedan sway; but from the degraded state to which these proprietors under the operation of the revenue system were reduced in 1793, they were overlooked, and their lands transferred in perpetuity to others. My Lord Hastings, then Lord Moira, on a tour of inspection through the inner provinces, expresses himself on this head in the following terms: "Within the circle of the perpetual settlements the situation of this unfortunate class is yet more desperate; and though their cries for redress may have been stifled in many districts by their perceiving that uniform indisposition to attempt relieving them which results from the difficulty of the operation, their sufferings have not on that account been the less acute. In Burdwan, in Behar, in Cawnpore, and indeed wherever there may have existed extensive landed property at the mercy of individuals (whether in farm or jaghire, or talook or zemindarry,) of the higher class, complaints of the village Zemindars have crowded in upon me without number, and I had only the mortification of finding that the existing system established by the legislature

28 May 1830.

R. Rickards, Esq.

left me without the means of pointing out to the complainants any mode in which they might hope to obtain redress. In all these tenures, from what I could observe, the class of village proprietors appeared to be in a train of annihilation, and unless a remedy is speedily applied the class will be soon extinct. Indeed I fear that any remedy that could be proposed would even now come too late to be of any effect in the estates of Bengal; for the licence of twenty years which has been left to the Zemindars of that province will have given them the power, and they have never wanted the inclination, to extinguish the rights of this class, so that no remnants of them will be soon discoverable." In like manner, the Commissioners of the Ceded and Conquered Provinces, speaking of those persons, remark, "The whole of this valuable class of landholders may be considered to be extinct in the lower provinces, in consequence of the interpretation put on the title of general Zemindar, who was considered, by the terms of the permanent settlement, as the universal proprietor of the soil, and the fountain from which alone any other person could derive a property."—Beng. Rev. Sel. vol. I. p. 361—371.

It is no doubt known to several noble Lords of this Committee, that village communities and other associations exist among the natives to which particular rights and privileges attach. Among others, the lands belonging to villages are either a joint property or divided into separate estates. These proprietors in the upper provinces of Bengal are called Malguzars. In the settlements for the revenue the head man of the village, or Sudder Malguzar, is treated with and made responsible for the whole amount. These joint or village properties have consequently been treated in many instances as one estate, and in the event of the Sudder Malguzar failing in his payment, the whole village is sold to make good arrears; all the joint or minor proprietors, the innocent and the defaulters, suffer together; their ancient hereditary properties are lost to them, and made over, for a price, generally to a stranger, by whom the real landlords are then considered in no better light than mere tenants at will. Now, my Lords, it is impossible that acts of this kind could have occurred, and they have unhappily been but too frequent, had we been better acquainted with native usages, institutions, and rights—had our intercourse with the natives been more intimate—or had natives of respectability and character occupied situations to enable them, either by conveying information, or in the exercise of their official functions, to check such proceedings. But these matters, with many others of a like import, have strongly impressed on my mind the necessity of native co-operation and aid, if we really mean to improve the state of India and the condition of its people. At all events, the experiment may be worth trying, since all other means devised by the ablest of our European public servants have hitherto proved unsuccessful.

28 May 1830.

R. Richards, Esq.

I was also asked, whether I could suggest any remedy for the evils complained of in the revenue administration; on which head I could not but feel diffident, as I still do, to offer suggestions, where so many abler persons have decidedly failed. One of the great objections to our revenue systems, as I then observed, is the extreme inequality with which an almost intolerable tax presses on the great body of the community. There are instances on record of large fortunes having been made by Dewans, Serishtadars, &c., in consequence of fraudulent and partial assessments; the many are thus overloaded with taxation to favour the frauds and corruptions of a few; and the continuance of these practices is not a little promoted by the utter despondency into which the ryots are thereby plunged. Its effects cannot be better described than in the words of the late Sir Thomas Munro:—“ It is,” he says, “ well known that the great body of the ryots will submit to extra assessments as long as they can pay them, rather than seek redress from the courts. There cannot be a stronger proof in support of this observation than the occurrences in Coimbatoor for some years past; where, though at least 30,000 ryots have paid extra assessments, and numbers have been compelled to part with their sheep and cattle without compensation, very few of all this number, probably not twenty, have ever sought redress from the Zillah Court, though the Judge is acknowledged to be a most active and zealous public servant. It is therefore impossible to resist the conclusion that our institutions are inefficient, and that the same abuses, to a greater or less extent, must prevail in every province under this government.” All I would venture to add on this subject is, that through the medium of village communities and other local associations, and with the co-operation and aid of respectable natives, employed and controlled as before suggested, it is hoped that some equalization of the assessment, as well as some mitigation at least of the other evils of our revenue system, may be effected; but I must at the same time confess that I should be apprehensive neither this nor any other series of measures will succeed, unless confidence can at the same time be generally inspired that the land-tax or aggregate amount of land revenue will never be raised on the inhabitants, but, on the contrary, gradually reduced.

4705. Have any circumstances lately come to your knowledge which induce you to think that a more extended residence of Europeans in India would be agreeable to the well-informed natives, and be considered by them of advantage to the country?—There have, since I was examined on a former day. The circumstances I allude to are facts which two natives of rank and intelligence are reported to have attested as the result of their own personal observation; and as facts are of more importance than reasoning, I would beg leave to submit them, as a better answer to the question than any opinions of mine.

28 May 1830.

R. Rickards, Esq.

They may perhaps be the more deserving of your Lordships' attention, from the very uncommon circumstance of their having been detailed in elegant English speeches delivered by the natives in question at a public meeting of the inhabitants of Calcutta, on the question of petitioning Parliament with reference to the discussions pending in this house. One of them, Dwarkanauth Tagore, said, "With reference to the subject more immediately before the meeting, I beg to state that I have several zemindarries in various districts, and that I have found the cultivation of indigo and residence of Europeans have considerably benefited the country and the community at large; the Zemindars becoming wealthy and prosperous; the ryots materially improved in their condition, and possessing many more comforts than the generality of my countrymen where indigo cultivation and manufacture is not carried on; the value of land in the vicinity to be considerably enhanced, and cultivation rapidly progressing. I do not make these statements merely from hearsay, but from personal observation and experience, as I have visited the places referred to repeatedly, and in consequence am well acquained with the character and manners of the indigo planters. There may be a few exceptions as regards the general conduct of indigo planters, but they are extremely limited, and comparatively speaking of the most trifling importance. I may be permitted to mention an instance in support of this statement. Some years ago, when indigo was not so generally manufactured, one of my estates, where there was no cultivation of indigo, did not yield a sufficient income to pay the government assessment; but within a few years, by the introduction of indigo, there is now not a bega on the estate untilled, and it gives me a handsome profit. Several of my relations and friends, whose affairs I am well acquainted with, have in like manner improved their property, and are receiving a large income from their estates. If such beneficial effects as these I have enumerated have accrued from the bestowing of European skill on one article of production alone, what further advantages may not be anticipated from the unrestricted application of British skill, capital, and industry, to the very many articles which this country is capable of producing, to as great an extent and of as excellent a quality as any other in the world, and which of course cannot be expected to be produced without the free recourse of Europeans!"

The other was an individual whose name is well known in the country, the celebrated Rammohun Roy. He is reported to have said, "From personal experience, I am impressed with the conviction, that the greater our intercourse with European gentlemen the greater will be our improvement in literary, social, and political affairs: a fact which can be easily proved by comparing the condition of those of my countrymen who have enjoyed this advantage with that of those who unfortunately have not had that opportunity; and a fact which I could to the

28 May 1830.

R. Rickards, Esq.

best of my belief declare on solemn oath before any assembly. I fully agree with Dwarkanauth Tagore in the purport of the resolution just read. As to the indigo planters, I beg to observe, that I have travelled through several districts in Bengal and Behar, and I found the natives residing in the neighbourhood of indigo plantations evidently better clothed and better conditioned than those who lived at a distance from such stations. There may be some partial injury done by the indigo planters; but on the whole they have performed more good to the generality of the natives of this country than any other class of Europeans, whether in or out of the service."

The facts contained in these addresses completely verify what I ventured to predict in 1813, as to the effect which the opening of the trade to India would have in lightening the pressure of the zemindarry tax. The speeches may also be taken as a specimen of what the natives are capable, and received in connection with the recommendation I have taken the liberty to offer for a more extended employment of them in high and responsible offices. In forming my opinions on this head, I have not disregarded those of an opposite tendency by distinguished public servants in India, whose experience has led them to think differently of native probity and efficiency; but whatever faults or defects may be observed in them now, from long-continued habits arising out of the nature of the government by which they have been ruled, I am persuaded, that when our intercourse with the natives is more intimate—when high offices are opened to their ambition, and seminaries for their improvement—when enviable distinctions are found to be the reward of talent and integrity, and shame or punishment to be the end of vicious conduct—character will become of greater value among themselves; neither can I perceive any just grounds for apprehending why the same causes, the same hopes and fears, which generate high principles in other more enlightened societies, should fail, under like circumstances, equally to influence the conduct of native Indians.

The witness is directed to withdraw.

Ordered, That this Committee be adjourned to Friday next, one o'clock.

Note.—On Friday, the 4th of June, the Lord President read to the Committee the following letter, which he stated he had received from Mr. Rickards, with his evidence revised, and the papers subjoined:—

My Lord, 54, Wimpole Street, 3d June 1830.

I have the honour to return my evidence before your Lordships' Committee on the 28th ultimo, corrected; and regret that ill health has prevented my doing it sooner. The same cause obliges me, under the most positive injunctions of my physician, to retire from all business or occupation of a laborious or exciting nature; and as this will necessarily prevent my attending the Lords' Committee, or that of the House of Commons, for further explanation, I have been anxious to render my present evidence as complete and explanatory as the

28 May 1830.

R. Rickards, Esq.

state of the Company's printed accounts will admit. The importance of the question here discussed renders indeed a full explanation quite indispensable. I have been accused, but unjustly, of hostility in these discussions to the East-India Company; whilst my feeling is decidedly the reverse. In the evidence I have given before your Lordships, and before the Committee of the House of Commons, my sole object has been to convey the conviction of my own mind that the Company's trade has been as injurious to themselves as to the British public at large, and the whole of the Eastern world; and that, without commerce, they would be the fittest medium His Majesty's Government could employ for the political administration of India; that in fact their government of India, without the present admixture of commercial objects, would be both profitable and creditable to themselves. Under these impressions, as well as the circumstance adverted to in the beginning of this letter, I have made some additions to my last evidence; but as these additions are merely explanatory, and do not alter in the least, but on the contrary corroborate the only point I was anxious throughout that examination to impress, I should be glad if your Lordships could allow them to stand as part of my evidence on that day. At all events, the explanations now given will lead to the ascertainment (my sole object) of whether there be or be not a surplus revenue in India, a fact which I take to be of vital importance in the present discussions.

I have the honour to be, with great respect,

My Lord,

Your Lordship's most obedient humble servant,

R. Rickards.

The Lord President of the Select Committee of the House of Lords on East-India Affairs, &c. &c.

Paper A. [See ante, p. 612].

Analysis of the Account, No. 2, or Statement of the Revenues and Charges of India, &c. from 1809-10 to 1827-28, and contained in the Collection of Papers relating to the Finances of India, February 1830.

	£.	£.
In the Columns of the "General Result" the surplus revenue amounts to	4,036,928	
And surplus charge to	20,181,493	
Apparent charge	16,144,565	
Deduct interest on debts	32,887,975	
And there remains an actual surplus receipt of		16,743,410
Sums which it is conceived may be added to the receipts, to shew the amount of financial resource within the period:		
1. Loan from Government in 1812		2,500,000
2. Portion of Nizam's Peshcush not appertaining to this Account, vide No. 2, B.		840,841
3. Loan from the Nabob of Oude in 1815-16, for which he was reimbursed by a territory conquered from the Nepaul state, and which it is admitted, in Account No. 1, A., ought to be added to the Bengal surplus revenue of that year		1,109,975
Total surplus in 19 years		21,194,226

Paper B. [See ante, p. 613.]

28 May 1830.

R. Rickards, Esq.

There is another and perhaps a simpler course by which a surplus may be deduced from these accounts. The statement No. 2 now before me is a regular cash account of territorial receipts and disbursements. If then it be insisted on that the debt is only political, and incurred to defray political charges, it is but fair that the account which bears all the charges should likewise have the benefit of all the receipts; in other words, that if the account is credited with the interest paid on loans, it should also be debited with the principal, or the amount received. With this adjustment, the account would then stand thus:—

On the 30th April 1793, the Indian debt is stated, in Appendix No. 7 to the Second Report of the Select Committee of the House of Commons of 1810, to be	£. 7,971,665	£.
And on the 30th April 1827, it is stated, in No. 4 of Papers relating to Finances of India, &c. February 1830, to be........................	42,870,876	
Increase of debt, or money raised on loan, during the period..		34,899,211
Deduct the surplus charges during the period as follows:—		
Excess of political charges from 1792-93 to 1808-9, as per No. 6 of Appendix to the Second Report of Select Committee, 1810....	5,078,015	
And the political charges paid in England, as per No. 46 of Appendix to Third Report ..	6,138,448	
Add,	£11,216,463	
Surplus charge from 1809-10 to 1826-27, as per No. 2 of Papers, &c. February 1830....	13,589,894	
Total of Surplus of charges for both periods		24,806,357
Net surplus........		10,092,854
But the interest on £7,971,665 of debt, which existed previous to the period, should be deducted from the whole charge of interest.		
This may be moderately calculated at 8 per cent. for the whole term, as, during a part of it, it bore 10 and 12 per cent.		
For 35 years it would amount, at 8 per cent., to		22,320,655
Which being deducted from charges, or added, as here, to the surplus, makes the surplus of the whole period		32,413,509

This account admits of adjustments which would probably increase the surplus; but as it stands it is sufficient to prove the fact exhibited in the printed accounts before the public, that for the whole 35 years here adverted to there has been a large surplus of territorial receipts. It is then precisely this surplus which requires to be satisfactorily accounted for; for if it cannot be shown to have been wanted to defray the territorial charges over and above the whole supply from

28 May 1830.

R. Richards, Esq.

revenue, the conclusion is inevitable that it must have been absorbed by commerce.

Paper C. [See ante, p. 618.]

In respect to the difference of ten millions to be accounted for in this latter period, there is a curious coincidence in the series of accounts on the table, which, although they do not admit of our deducing from them precise results, still afford data for general conclusions, which, if not correct, must at least be admitted to require explanation.

In No. 21, which purports to be a general statement of receipts and payments, territorial and commercial, in and from the Home Treasury, from 1814-15 to 1828-29, there are two or three striking appearances which deserve attention:—

First—This account contains from year to year the sale proceeds only of goods imported, amounting in the aggregate to		£. 85,459,872
Of which were returned to India in goods for sale and use	£. 14,500,042	
And in bullion	1,899,131	
Total	£16,399,173	

And as the exported goods are known to have sold at a heavy loss, it follows that the difference between the out-turn of their sale and the value of investments for re-consignment to England must have been supplied from the Indian revenues, or, what amounts to the same thing, from loans charged on the revenues.

Secondly—As the total receipts and payments in this account balance each other, with only a trifling surplus at the end of the term of £385,703, it is manifest that the whole sale proceeds of the goods are absorbed in each year in these payments, save the small returns to India above-mentioned, and without any reference to prime cost and charges (freight only excepted); whence it follows that the whole of the investments homewards cannot be supplied from capital, but gratuitously, as would appear, from year to year, out of territorial funds.

But thirdly—The Act 53 Geo. III., c. 155, s. 56, provides, that for payments made out of home funds on account of territorial charges in England, advances shall be made from the revenues of India equal to the payments so made in England, to be remitted through the medium of Europe and China investments, or by direct remittances, at the option of the Court of Directors; but every excess of advance over said payments in any one year shall be taken into account in diminution of the sum to be so applied in the year following. According to this clause, these remittances ought to be accounted for separately from the commercial concern: but they are not. In No. 21 they are blended, that is, the sale proceeds of all the goods supplied both for territorial and commercial purposes are classed under the head of

28 May 1830.

R. Rickards, Esq.

"Commercial Receipts," which consequently amount in the aggregate to	£96,516,263
Whilst the commercial payments are only £58,239,288	
Leaving thus an apparent large balance in favour of commerce.	
But if a sum equal to the balance of territorial payments for which these goods were in part remitted, and are by law directed to be appropriated, be deducted from the sum of "Commercial Receipts," viz.	37,775,154
It leaves only, as actually applicable to commerce, the sum of	£58,741,109

And therefore no more than a bare sufficiency to cover the sum total of commercial payments; whence the prime cost of the homeward goods and charges thereon (freight only excepted) must have been supplied from other funds; and this may possibly account for the excess of loan above specified.

This conjecture is strengthened by reference to No. 13 of this series of papers, wherein the supply for the purchase of investments from commercial funds abroad for the period in question is no more than £6,207,019, whilst the cost of the supplies from Europe is, as above stated, £16,399,173. If then the difference on £10,192,154 be the actual deficit requiring to be supplied for the purchase of return goods on commercial account within the period, it corresponds so nearly with the excess of loan above specified as must be admitted to be at least a striking coincidence.

At all events it will be found, on inspection of this account No. 21, that in every year throughout the period the commercial reports, after appropriating what by law attaches to territorial payments, are wholly absorbed by commercial payments, in like manner as above-mentioned regarding the aggregate. It thence follows, that if the exported goods, whether from delayed sales or charges and losses, &c., or from all together, only produced net during the period £6,207,019, as above, whilst £16,399,173 were required, the difference, or £10,192,154, could only have been supplied by the revenues; and the revenues accordingly falling short to meet political emergencies, loans were raised, which according to usual practice were then charged, but unfairly as I conceive, on the territorial department.

In adducing this coincidence, however, I do not mean to assert that the one ten million accounts for the other; the accounts in each case may be accidental; but the facts from which they spring are corroborative of what may be deduced in various other ways from the official documents before the public; *viz.* that there is and must be a deficit of commercial funds, which the revenues, or loans charged on the revenues, are made to supply; and without which the Company's commerce, as I apprehend, must long ago have ceased.

Paper D. [See ante, p. 623].

My reason for coming to this conclusion it may be as well to explain.

Nos. 20 and 21 are general statements of receipts and payments of

28 May 1830.

R. Rickards, Esq.

the Home Treasury, territorial and commercial. In No. 20 this sum of £2,500,000 is entered as a receipt, together with sundry small payments in redemption thereof. In this account the territorial and commercial branches are not separated, being previous to the commencement of the present charter; but the balance of No. 20 is carried over to No. 21, where the receipts and payments are separated; and this loan is carried forward in each year under the territorial head to 1822-3, when it was finally liquidated; but in this year, although the whole sum of £2,500,000 had been debited in No. 20 as a receipt, the £1,300,000 before-mentioned, forming part of the other sum, is again debited as a receipt in No. 21, therefore a double entry.

But the territorial payments in No. 21 seem to be of the description of those enumerated in former documents as the "Territorial Charges paid in England;" and as the balance of payments for the whole period, after deducting bills for interest and principal of Indian debt, correspond very nearly with the sum total of territorial payments in No. 2, or with as little discrepancy as we find in the other printed statements, with the exception of the years in which bullion is imported from India and exported to reduce the Indian debt, when the greatest discrepancy appears,) I therefore conclude, more especially as the sum total of the thus adjusted payments is greater in No. 2, as well as from the entries above described of the £1,300,000, that the whole of the repayment of this loan is also included in the political charges abroad and at home of No. 2. If it be otherwise, the notes appended to No. 2, more especially when coupled with the explanation of this transaction given in the Act 3 Geo. IV. c. 93, are calculated to mislead. I have therefore been induced to place the sum of £2,500,000 in the analysis as an item to be added to the surplus receipts, subject to further explanation.

It will be obvious too, on inspection of the analysis, that the adjustments marked 1, 2, and 3, are only intended as additions to the receipts, for the purpose of ascertaining the real state of the Company's financial resources during the period.

Die Veneris, 4° Junii 1830.

The Lord President in the Chair.

PATRICK KELLY, LL.D., is called in, and further examined as follows:

4 June 1830.

P. Kelly, LL.D.

4706. Have you completed the calculations you were directed to make for this Committee?—I have.

4707. Are those the calculations you have in your hand?—They are.

Have the goodness to deliver in the same.

The witness delivers in the same, and they are read as follow:

4 June 1830.

—

P. Kelly, LL.D.

A STATEMENT showing the Cost per Pound of the Samples of Tea received by the Commissioners for the Affairs of India from His Majesty's Consuls, and the Value affixed to the respective Samples by the London Tea Brokers.

The wholesale Prices are adopted exclusive of Government Duties, the Foreign Weights are converted to English Avoirdupois, and the Foreign Monies reduced to Sterling, according to the intrinsic Par of Exchange, computed in Silver at 5*s.* 2*d.* per oz. British Standard.

	Consul's Number.	Number affixed at the India Board.	Cost Price Abroad.	Value affixed by the London Brokers.
HAMBURGH.				
Twenty-six Samples:			*s.* *d.q.* *dec.*	*s.* *d.*
Bohea	1	1	0 7¼ ·54	1 4
Ditto	2	2	0 9½ 81	1 4½
Congou	3	3	1 0½ ·42	2 1½
Ditto	4	4	1 4¾ ·30	2 6
Campoi	5	5	1 0½ ·42	2 1
Ditto	6	6	1 3¾ ·08	2 0½
Souchong	7	7	0 8¾ ·76	No price: unfit for use.
Ditto	8	8	1 0 ·54	2 0½
Ditto	9	9	1 8 ·85	2 3
Pecco	10	10	3 0¾ ·70	3 10
Ditto	11	11	4 7¾ ·66	4 0
Ditto	12	12	5 11½ ·96	5 6
Hyson-skin	13	13	0 7¼ ·54	2 1
Ditto	14	14	0 11½ ·42	2 2½
Ditto	15	15	1 3¼ ·19	2 3
Twankay	16	16	0 10½ ·20	2 4
Ditto	17	17	1 3¾ ·30	2 11
Ditto	18	18	1 4¾ ·52	2 9
Young Hyson	19	19	1 0½ ·64	3 0
Ditto	20	20	1 10 ·60	3 11
Hyson	21	21	2 3½ ·96	3 10
Ditto	22	22	2 7½ ·60	4 2
Ditto	23	23	3 1 ·92	5 0
Imperial	24	24	2 11 ·48	4 10
Gunpowder	25	25	3 3 ·14	5 3
Ditto	26	26	3 8¼ ·24	5 8
ROTTERDAM.				
Thirty-five Samples:				
Bohea	1	27	0 9½ ·55	1 5½
Ditto	2	28	0 11¼ ·56	1 5
Congou	3	29	1 7¼ ·11	2 1½
Ditto	4	30	1 9¾ ·62	2 1½
Ditto	5	31	2 2¼ ·15	2 2½
Kampoo	6	32	1 5½ ·10	2 4
Ditto	7	33	1 8 ·61	2 1
Ditto	8	34	2 11 ·2	3 4
Souchong	9	35	1 7¼ ·10	2 0½
Ditto	10	36	2 7½ ·10	2 3
Ditto	11	37	3 3¼ ·72	3 8
Ditto	12	38	4 2¾ ·29	4 2
Pecco	13	39	6 6¾ ·45	5 3

4 June 1830.

P. Kelly, LL.D.

	Consul's Number.	Number affixed at the India Board.	Cost Price Abroad. s.	d q. dec	Value affixed by the London Brokers. s.	d.
ROTTERDAM.—(*continued*)						
Pecco	14	40	7	0 ·48	5	2
Singlo	15	41	1	7¼ ·11	3	0
Ditto	16	42	1	8 ·61	2	2
Ditto	17	43	1	9 ·12	2	5
Tonkay	18	44	1	5½ ·10	2	1½
Ditto	19	45	1	7¼ ·11	2	2
Ditto	20	46	1	9 ·12	2	11
Hyson-skin	21	47	1	3¾ ·04	2	1
Ditto	22	48	1	7¼ ·11	2	1½
Ditto	23	49	1	10¾ ·13	2	2
Hyson	24	50	2	9¼ ·19	3	7
Ditto	25	51	3	1½ ·71	3	8
Ditto	26	52	3	6 ·24	3	10
Young Hyson	27	53	2	2¼ ·15	3	7
Ditto	28	54	2	9¼ ·19	3	9
Ditto	29	55	3	2½ ·22	4	1
Imperial	30	56	3	7¾ 25	4	5
Ditto	31	57	4	2¾ ·29	5	2
Ditto	32	58	5	1¼ ·35	5	6
Gunpowder	33	59	4	4½ ·30	4	9
Ditto	34	60	4	11½ ·34	5	4
Ditto	35	61	5	6½ ·38	6	0
FRANKFORT.						
Ten Samples:						
Hyson-skin	1	62	1	3¼ ·41	2	1
Singlo	2	63	1	8¼ 78	2	3
Hyson	3	64	2	11¾ ·29	3	8
Imperial	4	65	3	4¾ ·76	4	8
Gunpowder	5	66	5	1¼ ·64	5	4
Bohea	6	67	1	4¼ 5	1	11
Kempoy	7	68	2	11¾ 29	3	1
Souchong	8	69	2	6½ ·82	2	3
Ditto	9	70	3	10 ·23	3	10
Pecco	10	71	5	1¼ ·64	4	2
PETERSBURGH.						
Six Samples:						
Black flower tea	1	72	11	11 ·28	5	3
Ditto	2	73	7	3½ ·15	4	9
Black family tea	3	74	5	10 ·37	3	8
Ditto	4	75	3	0½ ·51	2	1½
Green	5	76	11	11 ·28	Not imported for Sale in England.	
Ditto	6	77	6	2 ·13		
NEW YORK.						
Fourteen Samples:						
Hyson	1	78	2	10 ·62	4	4
Ditto	2	79	2	3¼ ·71	3	9
Ditto	3	80	2	0¼ ·29	3	7
Young Hyson	4	81	2	7 ·20	3	9

4 June 1830.

F. Kelly, LL.D.

	Consul's Number.	Number affixed at the India Board.	Cost Price Abroad.	Value affixed by the London Brokers.
NEW YORK.—(*continued.*)			*s. d.q. dec.*	*s. d.*
Young Hyson..........	5	82	1 11¼·15	3 7
Hyson-skin	6	83	1 7½·65	2 8
Ditto	7	84	1 0¾·75	2 1
Souchong.............	8	85	2 7½·27	2 2
Ditto	9	86	1 10¼·01	2 0
Ditto	10	87	1 2¼·96	1 10
Pouchong.............	11	88	1 10¼·01	2 0
Ditto	12	89	1 4½·24	2 0
Gunpowder............	13	90	3 4¼·46	5 2
Ditto	14	91	2 9 ·48	5 0
BOSTON.				
Twelve Samples ·				
Tonkay Hyson	1	92	0 11¼·54	2 2
Souchong.............	2	93	2 1¾·5	3 4
Ditto	3	94	0 11¼·54	2 0½
Hyson-skin	4	95	1 1¾·9	2 3
Ditto	5	96	0 10¼·47	2 2
Young Hyson..........	6	97	1 8½·8	3 8
Tonkay ditto	7	98	1 2¼·96	2 2
Hyson	8	99	2 4¼·86	3 8
Ditto	9	100	2 0½·32	3 9
Ditto	10	101	1 8½·80	3 8
Ditto	11	102	1 11¼·15	3 9
Ditto	12	103	2 1¾·5	3 9

The witness is directed to withdraw.

JOHN CRAWFURD, Esq. is called in, and examined as follows:

John Crawfurd, Esq.

4708. What is your situation?—I am general agent for the merchants and other inhabitants of Calcutta and Bengal.

4709. How long is it since you left India?—I left India in the month of July 1827.

4710. Have you paid much attention to the culture of cotton?—I have paid a great deal of attention to it; but not as a merchant or as an agriculturist.

4711. In Java as well as in India?—Yes; in Java as well as in India; in British India, as well as in several other parts of Asia.

4712. Have you read a paper laid before Parliament, respecting the cultivation of cotton and tobacco in the East-Indies?—I have.

4713. It is stated in a letter from the Secretary of the Court

4 June 1830.

John Crawfurd, Esq.

of Directors to the Secretary of the India Board, that the cultivation of fine cotton in India has been checked by an unlooked-for difficulty; namely, that the consumption of cotton having a long silky staple is very limited, and that the demand for the British and foreign manufactures does not require, and consequently purchasers cannot be found for a large supply of Bourbon cotton. Is this consistent with the information you have been able to collect upon the subject?—I believe it is perfectly correct, as far as respects the Bourbon cotton, which has nearly gone out of use with the manufacturers of this country; but it is not correct as far as respects other long-stapled cotton generally. I have here an account of the export of Sea Island cotton from the United States, which is long-stapled cotton, and which shews that it is increasing.

4714. Describe the difference between Sea Island cotton and Bourbon cotton?—The Sea Island cotton and Bourbon cotton are the two finest descriptions of long-stapled cotton which have ever been used by the manufacturers of this country.

4715. Is the cotton cultivated in India Bourbon cotton or Sea Island cotton?—Long-stapled cotton of any description has never been cultivated in any part of British India. Attempts have been made to cultivate Bourbon cotton three or four times unsuccessfully; but I believe no long-stapled cotton has ever been cultivated in any part of Asia.

4716. Do you know for what reason it has not been so cultivated?—I will mention, if your Lordships please, the facts respecting the introduction and culture of Sea Island cotton in the United States.

4717. Can you state to the Committee why long-stapled cotton has not been cultivated in India?—The obvious reason of its not being cultivated is, that there has never been any skill nor any capital applied to the cultivation of it; that the natives do not require it for their own mauufactures, and that it had never been required for exportation.

4718. Is not that opinion of yours directly at variance with the opinions stated in the letter from the Court of Directors to the Secretary of the India Board?—I suppose it is quite at variance; my opinions are derived from the manufacturers of this country, and I believe it to be perfectly correct.

4719. Have you yourself witnessed the cultivation of cotton in India?—Yes, to a certain extent; it is short-stapled cotton invariably.

4720. Is any long-stapled cotton cultivated in any part of India?—It may be as matter of curiosity; but certainly not to any extent, in any part of India that I have been in.

4721. Are you aware whether there are any circumstances in the soil or climate of India, which render the cultivation of long-stapled cotton more difficult than in other countries?—I am not aware of any circumstances, except the want of capital and want of skill in the cultivators.

4722. Is more capital required for the cultivation of long-stapled cotton than of short?—I would apply my observation to the cultivation of good cotton, long or short-stapled, fit for our manufactures. The cultivation of cotton for the manufacture of this country is for the most part of short-stapled cotton.

4723. Does the capital employed in the cultivation of cotton depend upon the fineness of the cotton produced?—Certainly; and upon the degree of skill required in the cultivation.

4724. Does it require great skill?—No doubt it does. I have got here an extract of a letter from Bombay, dated the 13th of June 1829, which, with the permission of the Committee, I will read; it explains this matter: "I have now very little hope that we shall be able to do anything whatever towards improving, even in the smallest degree, either the staple or cleanness of the Surat cotton, for it is not for the advantage of the grower of the article to expend one rea on the improvement of the ground, or the smallest extra labour in its cultivation; the ryot is so completely dependent on banyans, who have made advances on the growing crop, which advances are the whole payment the ryot ever receives for his crops, and he frequently is obliged to throw water on the cotton, and mix up dirt with it, to bring it up to the weight he has bound himself to deliver. Of late years these tricks have become much more common than they used to be, and we are forced to be very particular in choosing cotton, to see that it has not been damped. The picking time, too, is not left at the option of the grower, for until the Company's Revenue Collectors have made their circuit of the district, to ascertain the value of the crops on the ground, in order to judge what amount of taxes to levy, no one is permitted to commence the harvest; and in some seasons, as the present one for instance, when the circuit is not made till late, it has all the effects of a short crop, until navigation can be resumed after the rains. Formerly the Company received their taxes in produce; and then, as they were very particular in refusing all dirty or leafy cotton, and when the ryot was freer in fixing his own time of picking, we used to receive very superior cotton to any now seen; and there can be no doubt that were they to return to that system, an amelioration would soon follow." I believe there has not been the slightest improvement, as appears from all merchants and manufacturers, in the quality of Surat or Bengal cotton since the year 1814; I believe, also, there has not been the slightest improvement since the year 1790, when Indian cotton was first imported into this country.

4 June 1830.

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John Crawfurd, Esq.

4725. Do you know what plans are in contemplation by the Court of Directors for the improvement of the growth and cultivation of cotton?—I know nothing more than is stated in the paper laid before your Lordships' Committee, and published. I should think that any plan originating from persons in authority is not likely to succeed. The East-India Company themselves in this paper confess that for thirty years they have been making endeavours to improve the quality of cotton, and yet it is notorious that the quality has not been improved in that time; I think, therefore, such efforts may be looked upon as hopeless.

4726. Is not the deterioration of the cotton attributed, in the letter you have read to the Committee, to some of the Regulations lately adopted by government, particularly as to the mode of collecting the revenue?—Yes, it is.

4727. If the facts stated in that letter be well founded, would not an improvement in the cotton take place if those late Regulations were repealed?—I have great doubts whether any material improvement would take place by the repeal of those Regulations. A trifling improvement would take place by returning to the old system, if the Company received as they had been in the habit of receiving, at Surat and in the Bombay presidency generally, their revenue in cotton; they would then insist on having the best cotton delivered to them; but I conceive a return to that system would be worse than the present.

4728. What measure would you suggest as best calculated to improve the cultivation of cotton?—A free admission of European settlers, and a free admission of European capital; I can conceive no other means of improving an article of that description; I do not believe that any fine cotton has ever been produced to any extent, except by such means as I am now endeavouring to indicate.

4729. Is there any cotton finer than that of Dacca?—I see it stated in the papers already quoted, that the cotton of Dacca is remarkably fine, and I suppose it is so from the quality of the goods manufactured from it; but it is in very trifling quantities; it is evidently very high-priced, and there is not an ounce exported. Whether it is fine or coarse is a matter of very little consequence to the manufacturers of this country; it is unknown altogether in the markets of Europe, and unknown even in the market of Calcutta.

4730. Has European capital ever been employed in the cultivation of it there?—I believe not in the slightest degree.

4731. Has it not been renowned for years as the finest cotton of India?—That is what I am not at all aware of.

4732. Is it not notorious that the finest muslins in India were made of the Dacca cotton?—Yes; but it is a fact not generally

known that those fine muslins have been manufactured from that fine cotton. 4 June 1830.

John Crawfurd, Esq.

4733. Is it, or not, the fact?—I believe long-stapled fine cotton is never grown in any country except in the immediate neighbourhood of the sea. The cotton of Dacca, it appears from the statement given in to your Lordships' Committee, is grown within twenty miles of the sea, and I therefore imagine it may be long-stapled fine cotton. The Sea Island cotton is grown in the immediate neighbourhood of the sea. The Bourbon cotton is grown there; and I understand the fine cottons of China are grown also in the immediate neighbourhood of the sea.

4734. Has the Dacca cotton ever found its way to the British market?—From inquiries I have made, I am certain it has not.

4735. Have not the finest muslins of India been always made of this Dacca cotton?—I cannot state that the finest muslins of India have been always made of Dacca cotton.

4736. Is the Dacca cotton spun by hand?—Invariably; and every cotton is spun by hand in India.

4737. Do you know whether it would bear being spun by machinery?—I am not acquainted with the character of that cotton, and my opinion respecting it would be but mere matter of conjecture; it has never been imported into this country.

4738. Do you know of what cotton the fine muslins of India have been made?—I suppose they have been made from the cotton produced in the neighbourhood of Dacca, which has been the seat of the fine manufacture of muslins from time immemorial; but the lower provinces of Bengal, that is, Bengal Proper, have never produced cotton of any description, fine or coarse, for exportation.

4739. Fine cotton having always been produced in the neighbourhood of Dacca, and European capital never having been employed in the cultivation of it in that place, may not the Committee conclude that it is not essential to the production of fine cotton that European capital should be employed, and that its production depends on other circumstances of soil and climate?—The fine cotton of Dacca never having been produced to any extent, nor ever been exported or become available to the manufacturers of this or any other country, I conceive the question does not alter the opinion I have given, that fine cotton, short-stapled or long-stapled, can only be produced through European industry and through European capital. It has never in reality been produced for any useful purposes but through them.

4740. To what circumstances do you attribute the fineness of the Dacca cotton?—The Dacca cotton is an article with which I am not in the least acquainted, either personally or from

4 June 1830.

John Crawfurd, Esq.

inquiry, therefore I cannot speak with the least degree of confidence to that. I hold in my hand a letter which describes the mode in which the Sea Island or fine long-stapled cotton was first introduced into the United States, which I think illustrates this.

4741. Are you yourself acquainted with the mode of cultivating different sorts of cotton; have you ever seen the thing done?—As a civil officer of the Indian government, engaged in making revenue settlements in the island of Java, and employed in procuring information on commercial subjects on missions I have been sent upon, I have made particular inquiry both as to the cultivation and preparation of cotton.

4742. The different sorts of cotton, the long and the short-stapled?—Yes; I have paid as much attention, I think, as most persons.

4743. Have the goodness to explain to the Committee the difference which exists in the manner of cultivating any short-stapled cotton?—The long-stapled cotton I absolutely know nothing of, except from report, because long-stapled cotton has never been cultivated in any country I am acquainted with; I have never seen it cultivated except as an experiment on a small scale not worth speaking of.

4744. Never having seen it except as an experiment on a small scale not worth speaking of, what leads you to conclude that nothing but European capital can possibly succeed in its cultivation?—European capital having succeeded in the cultivation of fine cotton fit for the manufactures of England in almost every country which can with any fairness be compared with Bengal or any part of British India, through European capital and skill, I conceive there can be no ground whatever for believing but that the same means shall succeed in British India.

4745. The question is not whether European capital would fail of producing fine long-stapled cotton; but why nothing but European capital should be capable of producing it in India?—My reply to that question is, that nothing but European skill or capital having produced it, I think there is no ground, from experience, to imagine that any thing else should effect it.

4746. Was long-stapled cotton unknown until European capital was applied to its cultivation?—I believe so; as far as I know, it was.

4747. Is the cotton of Dacca long or short?—I am not aware; I suppose short-stapled; but it is not an article known at all in commerce.

4748. Will you state to the Committee why European capital is required for the cultivation of long-stapled cotton, while

4 June 1830.

John Crawfurd, Esq.

short-stapled cotton can be cultivated without it?—I have never said that good short-stapled can be cultivated without it: I do not know that short-stapled has been cultivated without it; I am not aware of any example of good short-stapled cotton being produced without European skill and capital.

4749. Whether Dacca cotton be long or short, it has been cultivated without European capital?—It has been cultivated to a very limited extent, and for local purposes.

4750. Has it been entirely manufactured on the spot?—Entirely, as I conceive; but I would beg permission of the Committee to decline saying any thing respecting an article I am not acquainted with, and which is entirely unknown either as an article of agricultural production or of commerce.

4751. Have the goodness to describe the cultivation of cotton you have yourself witnessed?—In most of the countries I have been in, cotton has been grown as a second crop after the cultivation of rice. It is an annual plant which grows in about four months; it is cultivated with very little skill, and is generally a very hardy plant.

4752. To what countries do you refer?—I refer to the island of Java, and to considerable parts of Cochin China, and some parts of Siam and Ava; I refer also to some of the provinces of Bengal, where, however, it is not cultivated in exactly the same way, but very nearly so.

4753. When you say that it is cultivated without skill, do you mean that it is a plant which requires very little skill?—I apply that to cotton I am acquainted with; to coarse cotton, such as is now imported, under the description of Surat and Bengal cotton, into this country.

4754. That is hardy, and requires very little skill?—Yes; and in proportion as the cotton becomes fine, it requires more care.

4755. Have you never witnessed the cultivation of fine cotton? - I have witnessed the cultivation of finer cottons than others. I know there is a foreign cotton cultivated in Java, which is double the price of others, and that requires much more care in the cultivation.

4756. Specify the care necessary in the cultivation of that cotton—in what manner it is applied; was it applied in the selection of the seed, the preparation of the ground, the weeding of it after the seed was in it; or in what way?—I am not able to give any particular details on this subject; I only know the delicate would require very great care, the hardy would require but little.

4757. Did it appear to you that more care was bestowed upon this finer cotton than on cotton of an inferior description?

4 June 1830.

John Crawfurd, Esq.

—That is proved by the price in the market; it was double the price.

4758. Did that arise from the superior quality of the soil, or the seed which was used?—I think it did not. It was a peculiar seed no doubt.

4759. Was the ground better?—No doubt there would be a nicer selection of the soil.

4760. Was it in a better situation; nearer the sea?—I cannot recollect; I think not; but it was cultivated in very small quantities.

4761. If the seed was better, and the ground better, would not those circumstances alone account for some superiority of price?—No doubt.

4762. From any information you have obtained, what are the circumstances which it appears to you in the cultivation of the finer and long-stapled cotton would require the employment of considerable capital?—I beg to state, that I do not confine the observation I made respecting the necessity of European capital and European skill to the cultivation of long-stapled cotton, but to any cotton; I apply it to all good cotton, fit for the manufacture of this country. The short-stapled cotton is of far greater consequence to the manufacturers in this country, than the long-stapled cotton.

4763. Being acquainted with the cultivation of short-stapled cotton, have the goodness to explain in what manner the cultivation of that would have been improved by the employment of greater capital, and what you call European skill?—There would have been more care taken in selecting the seed, and more care taken in the growing, and, above all, more care in freeing it from the seed, and packing it, and bringing it into the market.

4764. Is there any great difference in the price of the different seeds?—That is a question which I cannot speak to; no doubt there is a difference in the price of the different seeds.

4765. Any thing material?—The seed which is more difficult to grow must be of a higher price than the seed which is easily grown. Seeds of the common cottons in India are of very little value; they are given to cattle for food.

4766. Is the seed of the Sea Island cotton of value?—That I cannot speak to.

4767. Have the goodness to explain the manner in which capital could have been advantageously applied in the cultivation of cotton after the seed was put into the ground?—I am not able to speak to that. I am not an agriculturist. I can only say generally, that European capital having succeeded in

4 June 1830.

John Crawfurd, Esq.

producing very fine excellent cottons to an extraordinary and unexpected degree, I have no doubt it will succeed wherever it is tried; it has succeeded in other parts of the world, and there can be no question of its succeeding in India or anywhere else.

4768. Do you know how long a cotton plantation takes to come to maturity in India?—The common annual cotton will come to maturity in four or five months; but in cultivating the finer kinds, in India and elsewhere, they may, by care, be made to ratoon, that is, to grow from the roots; and then the varieties which are annual will become perennial, and be cultivated for three, or four, or even five years; but that is not the general practice. In India the seed is sown, the plant grows up, the cotton is taken from it, and it perishes within the year.

4769. There is a difference, you conceive, between the Indian and the American cotton in point of cultivation; the one plant being an annual, and the other not coming to maturity for two or three years?—I believe the greater part of the American cotton is annual as well as the Indian.

4770. Is the Sea Island an annual?—That is a perennial.

4471. Do you mean that there is any actual difference in the plant, or that where it is called perennial it is only allowed to remain in the ground a year or two longer?—That is a point I am not very well acquainted with. There are several species of cotton with which I am well acquainted; but I believe the greater part of the difference which in commerce we find in cotton is produced from varieties, and that the plants producing them do not constitute distinct species; the Sea Island cotton, for example, grown on the sea side, produces a very fine cotton; removed ten or twelve miles into the interior, it ceases to be so fine. From the statement given in to this Committee, I apprehend that the Dacca cotton will not grow except in a very limited district, within, I think, twenty miles of the sea, to the length of fifty miles from, and I believe to the breadth of three from the river side. I know that experiments have been made in cultivating the Bourbon cotton in the district of Benares, and there it totally failed; I know also that an experiment was made in the Island of Java in my own time, on a very extensive scale, for the cultivation of cotton from the Bourbon seed in the interior, and that also failed.

4772. By whom were the experiments made?—The experiment at Benares was stated to me on the authority of Mr. Henry Colebrook, with whom I conversed on the subject a few days ago. I think Mr. Colebrook was in the civil charge of the district at the time. The experiment was made by a foreigner, a

4 June 1830. — *John Crawfurd, Esq.*

Frenchman. The experiment in Java was made by gentlemen, among whom were some relations of my own.

4473. In both those cases European capital and skill were employed, but the experiment failed?—Yes; but improperly employed; for they attempted the cultivation of Bourbon cotton in a situation where it could never succeed. Benares is four or five hundred miles from the sea. The place in the island of Java where it was tried was also at a distance from the sea.

4474. The same want of success has attended the effort to cultivate coffee in Bengal, has it not?—I have always thought that it would fail. I have known coffee cultivated, but in very different circumstances. I always expected that the experiment in Bengal would fail; and I think it highly probable that it has failed, though I am not aware it actually has.

4775. You were in Java at the time it was taken possession of by the English, were you not?—Yes, I was.

4776. Was there any change made in the regulations respecting the cultivation of cotton, or the employment of capital consequent on the cultivation?—I think no change that had cotton particularly for its object.

4777. Was European capital more employed in the cultivation of cotton subsequently to the British occupation of Java, than it had been before?—I think the regulations were pretty nearly the same. The Dutch have always permitted European capital and skill to be employed.

4778. Did the Dutch permit a permanent acquisition of property by Europeans?—Always. There were large Dutch proprietors when we took possession of the island, and there are at this moment large Dutch proprietors.

4779. The European proprietors were permitted to conduct the cultivation of cotton on the same terms under the English government as under the Dutch?—Yes.

4780. Did much European capital find its way to Java during our possession of it?—There were large purchases of land during our occupation.

4781. Did any improved cultivation of soil, in consequence of those purchases and that increased application of capital, take place?—No; I think the capital was applied to other employments, particularly the culture of coffee.

4782. Have you collected information of the circumstances which attended the introduction of the fine varieties of cotton into America?—I have seen what I consider an authentic letter from one of the earliest planters of cotton upon this subject, giving an account of the introduction of cotton into that country,

by which it appears the Sea Island Cotton was brought from the Bahama Islands in the year 1796, and that the first parcel of cotton was exported in 1791; it amounted to 19,200 lbs.; and I find from the American Returns of Exports and Imports for the year 1827, that the total exports of that year amount to 294,310,115 lbs. weight, and to the value of 29,359,545 dollars.

4783. Can you state the relative prices of Indian and other cottons?—This paper is taken from the most recent Liverpool Price Current I have seen. There are twelve descriptions of cotton mentioned in it, and the prices are the result of actual sales.

1.	Sea Island	$13\frac{1}{4}d.$ to $16d.$
2.	Egyptian	$8d.$ to $9d.$
3.	Pernambuco	$7\frac{3}{4}d.$ to $8\frac{1}{2}d.$
4.	New Orleans	$6\frac{3}{8}d.$ to $8\frac{1}{2}d.$
5.	Maranham	$7\frac{1}{2}d.$ to $7\frac{7}{8}d.$
6.	Bahia	$7\frac{1}{2}d.$ to $7\frac{3}{4}d.$
7.	Upland	$6\frac{1}{4}d.$ to $7\frac{1}{8}d.$
8.	Barbadoes	$7d.$
9.	Tennesse	$6\frac{1}{4}d.$ to $7d.$
10.	Carthagena	$5\frac{3}{4}d.$
11.	Surat	$4\frac{3}{8}d.$ to $5\frac{1}{8}d.$
12.	Bengal	$4\frac{1}{8}d.$

I have seen some cotton lately brought from New South Wales that is valued at $10\frac{1}{2}d.$ per pound, and ranks higher than any cotton in the Liverpool statement, except Sea Island. I have also seen a sample of cotton from Sea Island seed, grown on the island of Saugor, at the mouth of Hoogley river, that is valued at 8*d.* per lb.

4784. Is the Sea Island cotton in the island of Saugor succeeding?—I refer to a small sample. The price was put upon it by a merchant of Manchester.

4785. Do you know any thing of the circumstances under which that experiment was undertaken?—I do not.

4786. What are the principal defects of the Indian cotton which makes its price so low?—It is very short in the staple; so much so as to require peculiar machinery, and it is of a coarse quality, and extremely dirty. I believe that some of the best Surat cotton is nearly as good in point of quality as that commonly called Georgia Bowed or Georgia Upland.

4787. What is the price of that?—I think the Georgia Bowed cotton is about forty per cent. better than Surat cotton; it is better grown, and cleaner. The difference, I believe, is chiefly in the mode of cleaning, and in the mode of separating

4 June 1830.
—
John Crawfurd, Esq.

the wool from the seed; but of this I am not quite certain. With respect to the difference of price there is no doubt.

4788. As far as that difference of price is created by the imperfect mode of cleaning practised at Surat, may not that imperfection be obviated by the more extended use of the new machinery which has been sent out by the Company within the last year?—I have not the least hope of any success from that experiment.

4789. Will you state why?—Because the East-India Company has been trying similar experiments without success during nearly half a century back; I may say, for thirty years, according to their own account, which is before me. The Indian cotton is notwithstanding just the same that it was in the year 1790, when it was first imported into England. There has been great encouragement given by increasing the exports from India since the year 1814, but it is not only not improved, but alleged to have become even worse.

4790. Are you of opinion that no export of machinery by the East-India Company can improve the cleaning of the cotton?—Small quantities of it may no doubt be cleaned by the East-India Company, and may be brought to this country, and prove perfectly satisfactory as far as a limited experiment goes; but as far as respects the great manufacturing interest of this country I conceive there can be no hope of it.

4791. From what circumstances do you deduce that total absence of hope, that machinery in India will produce the same effects that it has in every other case?—From the total absence of success on the part of the East-India Company in all their former schemes.

4792. Then you despair of success, not because the machine cannot clean cotton better than it is cleaned now, but because it is sent out by the East-India Company?—I conceive that it is not of the slightest consequence by whom the machine is sent out; I do not conceive that can have the slightest reference to the question.

4793. Are you not of opinion that machinery in India will produce the effect it produces elsewhere?—I am of opinion that when skill and capital are invested in the soil of India and in the industry of India, machinery, and whatever else is necessary to success, will be applied naturally and necessarily; and I am distinctly of opinion that the interference of the government of India in that matter can be of no benefit whatsoever; and that all that is required of a government is to afford protection to persons and to property.

4794. Have you ever seen any machines used in cleaning cotton?—I have seen the machines used in India often.

4 June 1830.

John Crawfurd, Esq.

4795. Have you ever seen any of the hand machines used in America?—I have never seen any of the machines in use in America.

4796. Are you aware whether the machine is of a costly nature?—I am not.

4797. Are you aware whether it requires any skill in turning it?—I understand it does not.

4798. Then if it requires neither costly expenditure in purchasing it, nor skill in using it, why should it not effect its object in India as it has in America?—The Americans export large quantities of cotton; and they furnished the manufacturers of this country with a great deal of cotton before the invention of the principal machine now hinted at. The East-India Company, I find by a paper before your Lordships, had sent out similar machinery to that used by the Americans, long ago, to India, but the sending out of that machinery was attended with no advantage whatever; I do not therefore look for any advantage from the improved machinery.

4799. May it not be inferred from that answer, that you attribute the failure of success, in consequence of sending out machinery before, to the circumstance of its being sent out by the East-India Company, not to any defect in the machinery itself, or to any circumstances in the state and condition of the people?—I beg to say, that I ascribe nothing whatever to the circumstance of the machinery being sent out by the East-India Company; it is a matter of no consequence by whom it is sent out; the machinery is sent out to a people who have not skill or capital to apply it.

4800. Has it not been admitted that this machinery requires the exercise of no skill; if that be the case, why should not it succeed?—I cannot see that it has been admitted that it requires no skill; seeing that this machinery has been invented and is used by one of the most civilized and one of the most enterprizing people in the world, the Americans.

4801. Must skill be requisite for the use of machinery because that machinery happens to be in the possession of a civilized people?—I think so, decidedly; I think your lordships would not propose to send a spinning machine into the wildest parts of Scotland or Ireland, and expect it should be used there to advantage.

4802. Is there any comparison whatever between a spinning machine and a simple machine for separating the seeds from the cotton; is it not turned by the hand?—Yes; but it is very different from that used by the Hindoos.

4803. Have you seen the machine to which the question refers?—I have seen drawings of it only

4 June 1830.

John Crawfurd, Esq.

4804. Supposing the machine to be there, is capital required in the use of it?—Yes, certainly.

4805. Will you explain how?—There must be a quantity of cotton produced. There must be considerable capital invested in the production of cotton, to make it worth while to use it.

4806. Is not the machinery used to supplant labour, and is it not used only because it enables you to perform the same operation more cheaply than by manual labour?—I suppose so.

4807. Does not that machine supplant the manual labour of Hindoos?—Yes, I suppose so, if they use it; but the East-India Company have sent out improved machines on former occasions, which the Hindoos never made use of.

4808. Do you know any thing of the cultivation of tobacco in India?—I have seen it cultivated there.

4809. Is that inferior to the American tobacco?—Yes, very inferior.

4810. In what degree?—I think it is not worth above one-third part of the price of the American tobacco.

4811. Have you been able to satisfy yourself as to the cause of its inferiority?—I think it may be generally ascribed to the want of skill on the part of the grower and the preparer; what has been brought to this country has been in a very unmarketable state.

4812. In what part of the process do you conceive the want of skill may be traced, either in growing or preparing?—I think the principal want of skill is perhaps in the preparation of it. I know that other Asiatic people have cultivated very good tobacco; I have seen excellent tobacco grown by the Chinese.

4813. European skill and capital, therefore, are not required for the cultivation of good tobacco?—Chinese skill and capital resemble very much European skill and capital; I take European skill and capital, however, to be as much superior to Chinese skill and capital as Chinese skill and capital are superior to Hindoo skill and capital.

4814. Have you ever known any samples of Indian tobacco prepared by Europeans and Indians of real skill?—Never.

4815. Is it not purchased by European mercantile houses, and prepared by them?—Never prepared by them; it is an article very rarely dealt in at all.

4816. Is not the reason of that, that in reality it is a very inferior article to the American tobacco; entirely inferior?—It is inferior to any tobacco I know in any part of the world; it is inferior to the tobacco grown in Manilla, in Java, in China, in Persia, and even in the Burman empire; there are very good specimens of tobacco in the Burman empire.

4817. Did you perceive any great difference in the mode of

4 June 1830. — *John Crawfurd, Esq.*

cultivating tobacco in the Burman empire and in those parts of India where it is so inferior?—I think I may generally say I saw it grown with more skill and care; that more attention was paid to its cultivation.

4818. Describe the manner in which that care and attention were applied to the cultivation of tobacco?—In attention to the selection of the seed, in attention to soil, to weeding, to the mode of reaping the crop, and to the mode of preparing the drug after the crop is obtained, and the mode of packing it.

4819. In all those particulars to which you have referred, did you perceive an inferiority of management in India?—In reference to the cultivation I am best acquainted with, that of the Chinese in the island of Java, a most decided inferiority; but it is impossible to see the habits of the two people, the Hindoos and the Chinese, and to see the mode in which they carry on agriculture or any other species of industry, without being forcibly struck with the superiority of the one race over the other.

4820. How do you rate the Javanese with the Hindoos?—I think the lower classes of Javanese are rather superior to the lower classes of the Hindoos; but the upper classes of Hindoos greatly superior to the upper classes of the Javanese.

4821. Assuming the qualities to be good, could tobacco be produced more cheaply in India than it is in America?—I should think not; but the climates of the two countries would produce different qualities of tobacco. The people of the United States could not grow the same qualities of tobacco which might be grown in India, nor could those of India grow the same qualities of tobacco as are grown in America.

4822. Is not the price of labour much cheaper in India?—Yes; but the land is not so cheap, because it is more occupied; and then the skill is all on the side of America.

4823. You think that, under no circumstances, the Indian tobacco can come into competition with the American?—I think, perhaps, not generally in competition with all American tobaccos, but that it might be extensively consumed in this country for particular purposes.

4824. Would you give the same answer upon the subject of the East-India sugar as you have in respect of cotton and tobacco?—That is a still stronger case.

4825. In what respects?—The making of sugar is more in the nature of a manufacture, and requires a greater degree of capital and a greater degree of skill.

4826. Are you acquainted with the cultivation of indigo in India?—I have seen it cultivated.

4827. Has it been much improved of late?—I understand

4 June 1830.

John Crawfurd, Esq.

from those who have been engaged in it, there has been an improvement.

4828. To what do you attribute that improvement?—To a free application of European skill and capital, and to that only.

4829. You conceive the same results would take place in the cultivation of other articles, to which you have been examined, by the same means?—Yes, more or less.

The witness is directed to withdraw.

Ordered, That this Committee be adjourned to Tuesday next, one o'clock.

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PART VI.

FIFTH REPORT.

MINUTES OF EVIDENCE

TAKEN BEFORE

THE SELECT COMMITTEE

OF

THE HOUSE OF COMMONS,

APPOINTED TO ENQUIRE INTO

THE PRESENT STATE OF THE AFFAIRS

OF

THE EAST-INDIA COMPANY,

AND INTO THE

TRADE BETWEEN GREAT BRITAIN, THE EAST-INDIES, AND CHINA,

AND TO REPORT TO THE HOUSE.

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MINUTES OF EVIDENCE.

FIFTH REPORT.

THE SELECT COMMITTEE appointed to inquire into the Present State of the AFFAIRS OF THE EAST-INDIA COMPANY, and into the TRADE between *Great Britain*, the *East-Indies*, and *China;* and to report their Observations thereupon to the House; and who were empowered to report the MINUTES OF EVIDENCE taken before them from time to time to the House;—

HAVE made a further Progress in the Matters to them referred, and examined several other Witnesses; the MINUTES of whose EVIDENCE they have agreed to report to the House up to the 13th day of this instant May, inclusive.

13*th May* 1830.

MINUTES OF EVIDENCE.

Lunæ, 29° die Aprilis 1830.

William Ward, Esq. in the Chair.

JAMES COSMO MELVILL, Esq., Auditor of the East-India Company's Accounts, again called in, and examined.

29 April 1830.

J. C. Melvill, Esq.

4295. You are the Auditor of the East-India Company?—I am.

4296. In your situation of Auditor, have you been led to consider the mode pursued by the Company in computing the upset price of their teas?—The computation of the upset price of tea forms no part of the official duty of my department; but it devolves upon me to prepare periodically financial views of the territorial branch of the Company's affairs; and in the performance of that duty, I find it important and necessary, as far as practicable, to make myself acquainted with all the Company's arrangements of a financial nature, commercial as well as political; I will therefore endeavour to answer any questions which the Committee may be pleased to put respecting the upset price of tea.

4297. Will you explain the principle upon which the Company fix the upset price of their teas?—The Act of the 24 Geo. III. c. 38, usually called the Commutation Act, precludes the Company from putting up their tea for sale at any prices which shall, upon the whole of the teas so put up at any one sale, exceed the prime cost thereof, with the freight and charges of importation, together with lawful interest from the time of the arrival of such tea in Great Britain, and the common premium of insurance, as a compensation for the sea risk incurred thereon. The first point that the Company have to consider in carrying that law into effect is, how they are to compute the prime cost of their teas. All the Company's consignments and remittances to China are made entirely with a view

to, and do in fact terminate in, supplying their treasury at Canton with funds for the provision of tea. The course of proceeding which the Company adopt each season is this: they first take a view of the state of the market, and of the probable demand for tea, and according to that view frame their indent for a quantity of tea to be brought from China sufficient to keep up a year's consumption beforehand, as required by law, and estimate the probable cost of that tea in tales. The next step is to provide the means of paying for the tea. With that view they buy cotton in India for consignment to China, which is paid for in rupees received in reimbursement of sums disbursed in sterling, on account of that portion of the territorial charges of India which is incurred in England. They direct the supercargoes to receive dollars in China in exchange for bills upon India, which are paid in rupees, received in like manner. They purchase British manufactures for consignment to China, which are of course paid for in sterling. A very small portion, about one-sixteenth of the whole, in 1828-9, was provided by bills drawn in China upon the Company in London. The prime cost of the tea brought to England under these arrangements is the sum expended in sterling in providing the tales with which the tea was bought, including freight and charges upon the outward consignments, which are in fact remittances, and upon the homeward investment of tea.

4298. Does it also include the charge of interest?—Interest forms a necessary part of the charges. The Company, as merchants, are entitled to charge interest from the date of expending the money in making the remittances until the period when, if they were free from the restriction of the Commutation Act, they would be in the situation to sell the tea. That Act, however, restrains the Company from selling their tea immediately upon its arrival, by requiring that they should keep a considerable stock on hand; and in order that they may suffer no loss on that account, it is provided that the Company shall add to the prime cost of the tea lawful interest from the time of its arrival in Great Britain. Combining, therefore, ordinary usage, as respects interest being included in the invoice charges, with the parliamentary enactment, the upset price of the tea should include interest from the time of the first expenditure to the time when the sale proceeds of the teas are realized.

4299. You state that interest is charged from the date when the money is expended in providing funds for the purchase of the tea; is that the principle upon which you charge interest? —That is the principle which regulates the Company's charge of interest. The amount of the charge is not minutely ascertained from year to year; but I have taken out the particulars of the year 1828-9, which is that of which the Committee have had a statement of the items of the upset prices, and I have

29 April 1830.

J. C. Melvill, Esq.

ascertained that the Company's charge for interest, although regulated upon the principle which I have explained, falls short of what it would be upon an actual computation.

4300. Will you explain upon what data you go?—The invoice charge of interest upon the outward consignments from England is six months, and I have ascertained that the proceeds of these consignments in the last year, 1828-9, were not realized for ten months upon an average. Again, the charge which the Company make of interest under the Commutation Act is for eighteen months, and I have ascertained that the average period that the tea is in warehouse here is twenty months.

4301. Can you state what proportion of the funds required for the purchase of tea in China is raised by bills in India, or by consignments of merchandize from India?—The whole portion remitted from India amounts to about two-thirds of the whole, including consignments of merchandize from India to China, as well as bills drawn from China upon India.

4302. That proportion which has been raised by being remitted from India being raised in dollars in exchange for rupees, how is the sterling value of the rupees calculated?—At the intrinsic par of the rupee, computing the value of fine silver at the old mint standard of 5*s.* 2*d.* an ounce.

4303. But there is at present no such standard in silver?—I am perfectly aware of that circumstance. The standard in this country being gold, there is no such standard as 5*s.* 2*d.*; nor can there, I apprehend, be any accurate standard for silver but the market-price, in a country where the standard is gold.

4304. What is the market-price of silver at present?—4*s.* 11*d.* an ounce.

4305. The market value appears then to be 3*d.* per ounce less than the amount observed in the Company's calculations, has not there been an over valuation in your computation of the tale to that extent?—If the Committee were to restrict their view to the two or three last years, undoubtedly there would appear to have been an over-valuation of the tale in that respect; but in former years of the present charter the market price of silver considerably exceeded the old mint standard of 5*s.* 2*d.*, and I have ascertained that upon an average of all the years since 1814-15, there is only a fractional difference between the value of the rupee at the market price and at the old standard.

4306. Then, from your statement, it would appear that upon an average of years there has not been any over-valuation of the tale by the system the Company have observed of bringing the rupees into dollars?—That is what I meant to say; and I would beg leave to add, that the Board of Control, acting upon the authority given to them by Parliament, compel the Company to credit the Indian territory with the rupee at more than

12 per cent. above the old standard of 5*s.* 2*d.*, which valuation being one to which the Company as advised are bound by law to submit, they would have been perfectly justified in applying to their transactions with China. 29 April 1830. J. C. Melvill, Esq.

4307. That being the case, how do you account for their not having proportionately increased the upset price of tea?—The Company have never acquiesced in the rates of exchange prescribed by the Board, but have persevered up to the present time in earnestly remonstrating against the observance of those rates, and in entreating a revision of them. The China accounts are not legally within the control of the Board; and therefore, although the Company must submit to the loss by this exchange, yet they have been unwilling to give the least sanction to the rates by introducing them into the valuation of the tale in computing the cost of tea, the more especially as, if they had done so, it would have had the effect, which I trust I may be permitted to say the Company always deprecate, of raising the upset price of tea.

4308. Do not the Company adopt a different mode of valuing the tale in their account of profit and loss from that which you have explained with reference to the upset price of tea?—Yes. In their profit and loss accounts they adopt the fixed rate of 6*s.* 8*d.* as a medium rate; and the Committee will see that the Company are compelled to use a different rate in this account, as the effect of the Board's rates must be adjusted in the profit and loss. With respect to this old rate of 6*s.* 8*d.*, I find that it was recognized in the year 1781, in a paper appended to the Ninth Report of a Select Committee of the House of Commons on East-India Affairs, being a Report from a Committee of East-India Proprietors, adopted by the General Court, which, with the permission of the Committee, as it explains the view which was then taken of what constituted *prime cost*, I will take the liberty of reading: "With respect to merchandize sent out from England to India, and merchandize returned home from thence, the produce must vary according to the market abroad and at home, and according to the ideal value affixed to foreign currency, but can only affect the Company, or be decided, on the following position; for instance, suppose £100 laid out in broad-cloth in England sells in Bengal for 1,200 current rupees; if on this occasion the exchange be reckoned at 2*s.* per current rupee, the profit is 20 per cent.; if 2*s.* 3*d.*, the profit is 35 per cent.; again, if the produce of 1,200 current rupees be laid out in muslins, and these, when brought to England, sell for £150, the produce of the operation, reckoning at 2*s.* the current rupee, will be 1,500 current rupees, or an apparent profit of 25 per cent.; at 2*s.* 3*d.* the current rupee will be $1,333\frac{1}{3}$, or an apparent profit of only $13\frac{1}{3}$ per cent. But the real profit to the Company in England, by comparison of first costs, will be 50

29 April 1830. — J. C. Melvill, Esq.

per cent., which is the only point that can be established, let the discussion be carried on ever so long, except that the higher the exchange in India the greater the apparent profit there, and the reverse in England; so that, for the purpose of the present calculation, your Committee have adopted the Company's valuation; *viz.* tale 6*s.* 8*d.*" The Committee will observe, that this latter principle of comparing first costs is that which the Company now adopt. The paper which I have read was before Parliament a short time previously to the passing of the Commutation Act; the clause in which affecting the question of prime cost was proposed by the Company in the very terms in which it is enacted.

4309. Can you state to the Committee what has been the average cost of the tale to the Company since 1814, upon the principle which you have been explaining?—The average cost of the tale to the Company since 1814-15, upon the principle which I have explained, has been 6*s.* 7·502*d.*

4310. What has been the average rate per tale since 1814 at which bills have been drawn upon the Company in England from Canton?—The average rate per tale at which the Company have been drawn upon from Canton since 1814-15 is 6*s.* 8·77*d.* The Committee will see that if that principle had been observed, the charge of interest in the computation would be for twelve months less than that included in the Company's calculation, because bills of exchange would comprise the interest for that period; but, on the other hand, the Company's calculation includes charges that would be incurred if supplies were obtained by bills. Adjusting both sides of the calculation, I find that the rate at which the tale would have been computed in the upset price of tea, if the bill of exchange rate had been the principle of computation, would have been 6*s.* 8*d.* 949 decimals.

4311. Do you not consider that it is the ordinary usage to value the coin of a foreign country expended in the purchase of consignments to England in sterling at the current rate of exchange?—I am perfectly aware that such is the usual practice; the principle, indeed, seems quite clear. In ordinary cases it very frequently happens that the cargo abroad is purchased with funds raised by bills of exchange, and the cost of those goods in sterling would, in such a case, be the sterling amount of the bills; but the adoption of any such system by the Company in their present circumstances, even were it practicable, would defeat the financial provisions of the Legislature in respect of India. If the Company were to buy their teas by means of bills upon themselves, they would have to pay those bills out of the proceeds of the teas, and then there would not be funds for the territorial charges of India.

4312. Will you explain to the Committee what is the nature

29 April 1830.

J. C. Melvill, Esq.

and the amount of those territorial charges?—They comprise the reimbursement to the public of that portion of the expenditure of Great Britain which is incurred in respect of His Majesty's troops serving in India. They also embrace the furlough and retired allowances of officers in the Company's army, the cost of territorial stores sent to India, political freight and demurrage, and also a portion of the interest of the Indian debt. The aggregate of those several charges may be stated to amount, upon the average, to £3,000,000 per annum, which is remitted by the Company principally through their India and China trade; and the Indian territory has the important benefit of effecting this remittance at advantageous rates of exchange.

4313. In what mode does the territory obtain this advantage?—The territory obtains this advantage by remitting the three millions annually at the Board rates of exchange, 2*s.* 3·84*d.* per sicca rupee.

4314. Can you state to the Committee what proportion of the remittance is effected through the China trade?—At present about one million sterling per annum. It has been, and it continues to be, the policy of the Company to increase the remittances through that mode.

4315. At what rate do the Company credit the Indian territory with the sums so remitted?—At 2*s.* 3·84*d.* the sicca rupee.

4316. Instead of 1*s.* 11*d.*, for the reasons you have stated?—1*s.* 11*d.* is, I believe, the market rate now.

4317. Can you state to the Committee what is the present rate of exchange in India for bills upon England?—The last quotation I have seen is 1*s.* 11*d.* per sicca rupee.

4318. You have stated that this remittance is at 2*s.* 3*d.* instead of 1*s.* 11*d.* Is that 2*s.* 3*d.* put upon the tea in computing the upset price?—No; the computation of that part of the remittance from India, which affects the upset price of tea, is made, as I have already explained, at the old mint standard of 5*s.* 2*d.*, which values the rupee at about 2*s.* 0½*d.*

4319. Still would it not appear, according to the computation of the rupee being valued at 2*s.* 0½*d.*, whilst in Bengal the exchange is 1*s.* 11*d.*, that it is taken at 1½*d.* beyond the real worth in Bengal of the rupee?—But the Company, for the reasons I have already given, cannot extend their drafts upon themselves from Bengal without defeating the Act of Parliament in respect of the Indian charges, and the cost of the Company placing their rupees in Bengal under the system prescribed by the Act much more than accounts for that difference.

4320. Can you state to the Committee at what rate, upon the average, since 1814, the Company have placed the tale in China by means of bills upon India?—5*s.* 10·04*d.*

29 April 1830.

J. C. Melvill, Esq.

4321. Can you also state at what rate by consignments of merchandize from India ?—6s. 7·36d.

4322. It would then appear that the consignments of merchandize have been a much less profitable mode of remittance than that of bills ; how do you account for the Company having continued to adopt that mode ?—The rate I have mentioned for merchandize of 6s. 7·36d. includes freight, which, had the funds been raised by bills, must have been charged upon the tea ; omitting freight, the cost of the tale by consignments of merchandize from India to China is reduced to 5s. 7·76d.

4323. Then you mean to state that the upset price has been rather kept down than otherwise by the practice of the Company in sending merchandize from India to China ?—Clearly so ; and encouragement has at the same time been given by the Company to the trade in an important article of Indian produce.

4324. Can you state at what rate the tale has been placed in China by consignments of British manufactures ?—At 7s. 0·49d.

4325. You take the average since 1814 ?—Since 1814 ; the rate would be lower if we took an average for a smaller period of years.

4326. Then you are of opinion that the most disadvantageous mode which the Company can adopt of providing funds for the purchase of teas is by sending British manufactures ?—I think that must be admitted.

4327. That being the case, can you explain why the Company have continued to adopt that mode, that being so disadvantageous ?—The Committee must of course be aware that the Company have always from policy been desirous of exporting the produce and manufactures of Great Britain to places to which they have an exclusive privilege of trading, and I believe I may say that the Company have felt themselves under something of a moral obligation to do so. This policy has at different times been not only sanctioned but enjoined in the charters granted to the Company and in legislative enactments. At the period of the last renewal of the charter, the trade with India being then opened, of course the Company ceased to feel it *obligatory* upon them then to send British manufactures to India, although they determined not to cease doing so until it should become absolutely necessary. But as they had the exclusive privilege of trading to China, they felt the force of the old obligation still binding upon them, as relating to exports to that country ; and it was well understood between the King's ministers in 1813, and the representatives of the Company, that these exports to China were to be continued. I may add, that when in 1826 the Company found it necessary, from the state of the trade, materially to restrict exports of British manufactures to India, Mr. Williams Wynn, then President of the Indian

29 April 1830.

J. C. Melvill, Esq.

Board, remonstrated against that determination; and as that related to exports to India, I think the Company were entitled to conclude that the remonstrance would have been much more decided if it had had reference to exports to China. But independently of the policy which has actuated these exports of British produce and manufactures, it by no means appears to me that the tale has been valued more highly than it would have been if all the funds for buying tea had been provided in either of the other modes; for I cannot imagine that the Company could have materially increased their supplies of cotton to India, or their demand upon the Canton market for money in exchange for bills, without immediately either lessening the value of the cotton in China, or raising the exchange for the bills. I would further state, that in a concern of so much magnitude and importance as that of the Company's in China, it is necessary that they should be secure against the possible failure of funds there, which might be the consequence of their having recourse to only one method of remittance. The Company act upon a system; and I would submit that one good test by which that system might be tried would be, whether the valuation of the tale, by all the combined methods which the Company have pursued, is or is not as good for the public as if the Company had supplied their treasury by consignments of bullion.

4328. Are you able to state to the Committee what, upon the average since 1814, would have been the cost of the tale, if the consignments had been entirely in bullion?—6*s.* 6·278*d.*, which, by the addition of the charges now included in the valuation of the tale produced by consignments of merchandize to China, would be increased to 6*s.* 10·490*d.*, which is 2·988*d.* in excess of the cost at which, by the Company's combined operations, the tale has been placed in China.

4329. Can you explain upon what grounds you make this valuation which you have just given to the Committee?—I take the average market price of dollar silver in London in each year since 1814-15; I add nine months' interest, at the rate borne by the Company's bond debt in England, insurance at the market rate, and one per cent. for brokerage, shipping expenses, and freight.

4330. What is the amount of the insurance?—It has varied; it was four per cent. in the early years; and that which the Company now adopt is three per cent.

4331. Do you take that calculation from facts?—From the rate of sea insurance adjudged every year by the mercantile committee at the India House.

4332. Is that upon bullion?—The Company not being in the habit of exporting bullion, the Committee do not fix a separate

29 April 1830. — J. C. Melvill, Esq.

rate for bullion. I have taken the rate for merchandize. The rate for bullion is, I believe, less; but the difference will not affect the principle of the calculation I have now submitted. It would make a small alteration in the degree.

4333. It has been stated in evidence to the Committee that a very large sum, amounting to two millions sterling, might be obtained in exchange for bills upon England. Do you think, to that extent, it would be possible so to obtain money in exchange upon England?—Any opinion I can give upon that point must be formed from a perusal of the official despatches of the Company's Select Committee in China; and from what they have at different times reported of the state of the money market at Canton, I must be permitted to entertain very great doubts whether so large a sum as two millions sterling could be raised by bills upon England in any one year, and I am quite convinced that it could not be done consecutively from year to year; were it otherwise, the rate of exchange would be so enhanced by the demand as to make the tale much more expensive than under the present system. Besides, if the Company were known to depend on that mode of supply, they would be at the mercy of a few merchants at Canton, who would have it in their power to combine and dictate the rate of exchange, which inconvenience is not merely speculative; it is one which the Company's servants in China have sometimes mentioned in reference to their limited demands for money in exchange for bills. I would again remind the Committee, that the Company cannot grant the bills, or rather if they were to grant them the law would be defeated.

4334. Will you explain in what manner the law would be defeated?—I refer especially to the 56th section of the Act of the 53d, which enacts, that a sum equal to the actual payments made from the commercial funds at home, on account of territorial charges in the year preceding, shall in each and every year be issued in India for the purpose of the said Company's China or India investment. The Company must pay the demands upon them on account of the Indian territory, and they could not pay those demands if they drew those bills.

4335 Do you think it would be imprudent to risk the non-provision of funds at Canton, which would be the case if the exchange at Canton was exclusively relied on?—I do.

4336. Are you aware that the Canton price-current states the rate for bills upon England?—There is such a quotation in the Canton price-current, but I never heard of a corresponding quotation in the London price-current. It appears to me that bills are generally created by exports of produce; and in this case the Company, who are the great exporters from China to Europe, cannot, as I have explained, grant the bills.

4337. Do you mean to say that there is no regular exchange

between China and England?—Bills have certainly been drawn to some extent. The Company draw a small amount. The supercargoes, whose salaries are payable in England, occasionally draw. There must be ship bills; and I have seen it stated in evidence before this Committee, that the Americans have lately raised funds in China in that mode, though, if they continue to do so, instead of importing dollars, the exchange will soon be affected.

4338. Do not you think that the probability would be, that there would be a more regular exchange between England and China, if it were not for the Company's monopoly, and if a free trade existed between this country and China?—I think it must be admitted that if the trade were free, there would be a regular exchange between this country and China, as there is between this country and India. The parties who engaged in that free trade would not be under any obligation to make it a channel of remittance from India, which the Company are compelled to do. If free traders to China were able, through the demand in India for remittance to Europe, to buy their teas with funds obtained more cheaply than the Company now obtain them, all such advantage would be derived at the expense of India, because, unless the connection of this country with India were dissolved, India would still have to transfer that large amount of capital, estimated at £4,000,000 sterling per annum, (three-fourths of which is now brought by the Company at a favourable exchange,) which must be transferred in some way through trade, although it is wholly distinct from commercial returns. It appears to me that this circumstance presents a formidable obstacle to the growth of a profitable export trade from this country either to India or to China, and explains the difficulty (which I see stated in the evidence given to this Committee) of effecting returns for the exports of manufactured goods to India.

4339. You have stated before, that the average amount of remittance from India, charged to be paid in England for stores, half-pay, and so on, amounts to £3,000,000; how do you reconcile that with your statement now, that a remittance of £4,000,000 would be necessary?—£3,000,000 is the government remittance; in addition to that there is an accumulation of private fortunes, and there are the allowances for families in England of persons resident in India, which I estimate at £1,000,000.

4340. On what data do you give that opinion, as to those items amounting on an average to £1,000,000 sterling?—I have no other data than the opinions recorded upon the proceedings of the Court of Directors, by persons who are supposed to be most conversant with Indian subjects.

4341. Are there any recorded opinions at different times on that subject in the proceedings sent from India?—I do not

29 April 1830. remember to have seen any such calculations recorded upon the Indian proceedings. There are some, I think, upon the proceedings of the Court of Directors.

J. C. Melvill, Esq.

4342. Do you think the rate of exchange in China is or is not a criterion to be depended upon in computing the prime cost of the teas?—It seems to me, that to value the tale upon any such principle, would be to assume, first, that the Company might draw bills, which if they had drawn, would have defeated the operation of the law in respect of the charges of India; and, secondly, that if they had done so, they could have obtained £2,000,000 as cheaply £200,000.

4343. You give that opinion as applied to the existing state of things?—Yes.

4344. Do you conceive that the Legislature, in speaking of prime cost, could not have intended such a mode of computation? —I have great reluctance in presuming to give an opinion upon that point. Independently of my statement, that the clause in the Commutation Act was prepared by the Court of Directors, who, a short time previously to preparing it, had themselves expressed a view of what constituted *prime cost*, accordant with the principle now adopted, and which was before Parliament when the Act was passed, it strikes me that the Legislature, in speaking of prime cost, must have meant a computation founded upon fact, which the rate of exchange would not in this case show. Besides, if the Committee will be pleased to refer to the Acts of the 13 Geo. III. c. 64, 19 Geo. III. c. 61, 20 Geo. III. c. 56, 21 Geo. III. c. 65, they will find that about the time when the Commutation Act was in progress, Parliament was in the habit of controlling and in some cases absolutely prohibiting the Company from accepting bills of exchange. I would also venture to suggest one other point deserving of some attention: if Parliament intended that the calculation of prime cost should invariably be governed by the rate of exchange, they would not have authorized interest from the time of the arrival of the tea in England; because bills being drawn at six months' sight, there would have been in that case a double allowance of interest for the period the bill had to run after the arrival of the tea.

4345. You have stated your opinion that it would be impossible to draw two millions' worth of bills from Canton upon England for consecutive years; does not the amount of bills, which it is possible to draw from one country to another, depend upon the extent of the commercial transactions between those countries?—Undoubtedly.

4346. Then supposing there to be an extension of commerce between England and China, would it be impossible that a larger amount of bills could be drawn from Canton upon England than is now drawn?—The opinion which I have expressed has refer-

ence to the present period and to present circumstances. I am not prepared to say that the trade could be profitably increased; but of course if it could, the means of remittance would be increased.

4347. Then the difficulty of drawing an additional sum by bills from Canton upon England arises partly out of the present state of the law as affecting the commerce between the two countries?—From the present state of the law rendering it obligatory upon the Company to apply the proceeds of their teas to the Indian charges.

4348. In answer to a former question, you stated, that in calculating the prime cost of the tea, you included freight, insurance, and interest on the outward investment; do you also include any mercantile profit on that investment?—I thought I had explained to the Committee, that we took on the one side what we expended in sterling, and on the other side what that expenditure produced to us, and that gives the value of the tale. Of course, if there is a difference forming profit or forming loss, it would come into the computation of the advantage or disadvantage of the several modes of remittance to China.

4349. In taking that expenditure you charge the amount of interest and the amount of freight; do you also credit that account with a certain rate of profit which you think you should make upon the sale?—No, we take the actual result of the transaction.

4350. So that in that case, supposing there is a loss, that loss is charged upon the price of the teas?—It affects the value of the tale.

4351. Are you aware that there is every year a very large export of silver, foreign and native, from China to India, and that this money may be had by the Company for bills on England or India to any extent?—I am aware that there is a considerable export of bullion to India; but I am not aware that money may be had for bills on England or India to any extent.

4352. You mean to say that you have no means of ascertaining whether money may be had by the Company for bills on India or England to any extent?—So far as my recollection serves me, I think that when there has been a large amount of bullion sent from Canton to India, the supercargoes have occasionally felt great difficulty in negotiating bills upon the Court for a considerable sum.

4353. But not bills upon India?—I am not aware that they have felt much difficulty in negociating bills upon India.

4354. In what way has that difficulty arisen; has it arisen in their not obtaining bills at the exchange they have opened the

29 April 1830.

J. C. Melvill, Esq.

treasury at, or have they advertised for tenders of bills and not obtained them?—Having opened the treasury at a fixed rate of exchange, they have, so far as I can remember, been compelled to raise the rate, and after all not succeeded in obtaining so much as they wished.

4355. Did not that arise from their raising the exchange after perhaps the bullion had been sent away?—It probably arose in a great measure from the depressed state of the money market in India, and of the opium trade at Canton. There can be little doubt they might have increased the supply if they had offered extravagant rates.

4356. Can you state at what period that took place, and what was the rate of exchange originally offered, and the rate of exchange to which the Company's factory advanced their bid afterwards, and for what sum it was?—I am not prepared at present with these particulars; but I will obtain them for the information of the Committee.

4357. Are you aware that the Americans have ever met with any difficulty in using their credits on England?—I never heard till lately that they had adopted that method.

4358. Since they have done so have you heard of any difficulty?—I have seen nothing upon that subject but what is recorded in the evidence given to this Committee.

4359. It has been stated in evidence to this Committee, that the public could be supplied with the same quantity of teas as are sold at the Company's sales for the sum of £1,500,000 less than the Company receive; do you agree to that, or can you give any reasons for differing from that calculation?—I trust that in answering that question I may be allowed to premise, that as the calculations upon that subject which have been submitted to this Committee have reference to a trade in tea altogether different from that which the law has prescribed for the conduct of the East-India Company, the result of those calculations must be totally fallacious when viewed as a test of the past management of a public trust; and if the result of the calculations in question be intended as a hypothetical view of the future, it strikes me that it can be of little value, unless it be determined by Parliament that the system under which the Company now administer their combined trust may be dispensed with. Independent, however, of these considerations, it appears to me, upon an examination of the calculations, that one fallacy attends most of them. Mr. Bates,* Mr. Thornley,† and Mr.

* Page 522 ...... Question 3955a.
— 526 ...... —— 3989a.
† Page 421 ...... —— 3413a.

Rickards* (in his second statement), take the valuation of the tale according to the rate of exchange at the period of unusual depression; making the tale, according to Mr. Bates (page 522, quest. 3955*a*), 5*s*. $5\frac{20}{72}$*d*.; according to Mr. Thornley (page 421, quest. 3413*a*), 5*s*. $6\frac{2}{3}$*d*.; and according to Mr. Rickards (page 428, quest. 3454*a*), 5*s*. $6\frac{2}{3}$*d*. These rates are all lower than any at which the Company have been drawn upon, and they are also lower than any which I have seen quoted. I hold in my hand the Canton price-current of April 1829 (and which is the latest period to which a rate could be applied to the transactions to which these calculations refer), which quotes the exchange upon London from 4*s*. to 4*s*. 2*d*. the dollar; whilst these gentlemen compute the tale by a supposed *late* rate of exchange, they compute the Company's charge for tea at the prices realized in periods during most of which the exchange value of the tale was infinitely higher. I think the Committee will see that, in order to make a fair comparison, the valuation of the tale, and the price of the tea, should have reference to the same periods. Besides this general objection to all these computations, I find that with respect to that submitted by Mr. Bates, he is mistaken arithmetically. Mr. Bates (page 526, quest. 3989*a*), selects contract congo tea, estimates its price in China at 29 tales per pecul, and states its cost in sterling at $13\frac{1}{2}$*d*. a lb. Now, after making the deduction which Mr. Bates allows and states that he has himself made for wastage, and reckoning the tale at the lowest rate of exchange which has been assumed, viz. 5*s*. $5\frac{20}{72}$*d*. the cost in sterling, instead of being $13\frac{1}{2}$*d*. is $14\frac{1}{2}$*d*., to which adding 3*d*. per lb. for freight, $7\frac{1}{2}$ per cent. for charges, and 10 per cent. for profit, those being the rates stated by Mr. Bates, the price per pound is 20·03*d*. instead of 18·86*d*. The whole quantity of tea sold by the Company in 1829-30, was 27,455,063 lbs. weight. If that quantity of contract congo, the tea selected by Mr. Bates, were sold at the price assumed by Mr. Bates, as now corrected, it would produce.... £2,291,353
And at the average price realized for such teas at the Company's sales in 1829-30............. 3,238,781
The difference being........................... 947,428
Which is, even upon Mr. Bates's data, one-third less than the amount which he has stated is overpaid by the public under the present system. Of this sum of £947,428, £350,280 results from the biddings at the Company's sales beyond the price at which the Company offered to sell the tea; so that the real excess of the Company's charge beyond that assumed by Mr. Bates is reduced to £597,148, whereof one-third is ascribable to the difference in exchange, and most of the remainder to the items of freight and interest, the Company's charges of which

* Page 428 ...... Question 3454*a*.
Second Statement, page 429.

29 April 1830.

J. C. Melvill, Esq.

are necessarily in excess of those which a private merchant would incur, owing to the laws which regulate their shipping, and make it obligatory upon them to have a large stock of tea on hand. Perhaps it is unnecessary for me to trouble the Committee with any similar details respecting the calculations upon this subject by Mr. Thornley and Mr. Rickards, many of the objections just stated being equally applicable to them. Mr. Thornley states the excess of charge to the public for tea to be £1,727,934. This is in 1828-9. Applying the same principles to 1829-30, the excess in that year, according to Mr. Thornley's data, is £1,680,478; but Mr. Thornley assumes the average sale price realized by the Company upon all descriptions of tea at 2*s*. 8·06*d*. per pound, whereas in 1829-30 it was only 2*s*. 2·55*d*. The difference between these two sums on 27,455,063lbs., the quantity sold, is £630,322. So that Mr. Thornley's excess of charge is brought down one-third below his estimate. It will be further observed that Mr. Thornley has made no allowance whatever for interest on the capital employed, or for wastage. Mr. Rickards computes the prime cost for the tea in the coin of China very far below what is taken either by Mr. Bates or Mr. Thornley, and so far below what is actually paid by the Company, that I cannot imagine that the Company could have obtained teas at the prices computed by Mr. Rickards (page 428, quest. 3454*a*) without a deterioration in quality. Mr. Rickards attempts to show the cost to the public under the present system to be much greater than that implied in the computations of either of the other gentlemen; but this arises from Mr. Rickards having included what he conceives to be excess of tea duty paid to the State.

4360. In examining Mr. Rickards's statement, have you found that he has fallen into the same error as Mr. Thornley, and computed the reduction of 6*d*. in the pound in his estimate?—Mr. Rickards has taken the average for a number of years; but he falls into the same error as Mr. Bates and Mr. Thornley, of taking the rate of exchange in one year, and the prices in another.

4361. Have you seen a price-current of Canton of June 1829, in which the exchange is stated at 3*s*. 11*d*.?—I have seen only the price-current of April 1829, in which it is stated at from 4*s*. to 4*s*. 2*d*.

4362. You have stated that an error runs through the calculation of those gentlemen, inasmuch as they have taken the lowest rate of exchange, applying it to the price for the whole period. Are you not aware that Mr. Bates's calculation is only founded upon one year, during which he states that the average rate of exchange was that which he took?—So far as respects the exchange, but not as respects the prices realized by the Company for the tea.

4363. Are you aware that Mr. Bates states in his evidence, when he takes the last sale price at 2*s*. 7*d*., "that is the price obtained at the last sale of the East-India Company?"—Yes, but that is not the fact; the average price was 2*s*. 4*d*. 312 decimals, instead of 2*s*. 7*d*. as taken by Mr. Bates.

4364. Will you be good enough to give in a statement of your calculation, by which you make the price of tea in 1829 come out to 14½*d*. instead of 13½*d*.?—My calculation is simply this: a pecul of tea, 133⅓lbs., losing two and a half per cent. by wastage, purchased for 29 tales, each tale being worth 5*s*. 5$\frac{3}{7}$*d*., costs 14½*d*. per lb.

4365. You have said that the average sale price received last year was 2*s*. 4*d*., and in correcting Mr. Thornley's computation you state it at 2*s*. 2*d*.?—Mr. Bates's evidence applies to *congou* tea, Mr. Thornley's applies to *all* descriptions of tea; that accounts for the difference between those two prices.

4366. From Mr. Bates's calculations you have deducted a sum of about £350,000, as excess obtained by the Company in the sale of tea in the price at which they put up their teas; do not you consider that as a profit by the Company?—Undoubtedly it is profit; but my distinction is this, it is not what they demanded, it is the result of a fair competition in a market abundantly supplied.

4367. Will you explain what you mean by a fair competition?—I mean that any one may go and bid for the teas.

4368. That is, according to the supply which the Company put into the market?—I will explain how the Company manage their supply. Previously to making the tea declaration every quarter, they look at the amount of the deliveries during the previous quarter; they look also at the quantities sold in the previous sales, and they always put up at the sale a larger quantity than the average amount of the deliveries at the previous sales of the year, increasing the quantities of those sorts of tea from which there appears to have been the greatest demand; that is also the principle which governs the Company's orders to China for tea. The Committee are also perhaps aware that, as a proof of the market being abundantly supplied, very large quantities have been rejected.

4369. That is to say, left unsold at the upset price?—Exactly.

4370. Are the dollars that arrive here from China so inferior in quality that they are necessarily melted, and sold as silver, being unfit for use as dollars?—I have heard that that is the case, but I have not had an opportunity of ascertaining it officially. I am not aware, within my experience, of the Company's having brought dollars from China to England.

29 April 1830.

J. C. Melvill, Esq.

4371. If that is the case, does not it follow that any person computing the dollar at Canton at 3*s.* 11*d.* should take into his consideration the inferiority of the quality?—Undoubtedly; the value of the dollar in exchange must be affected by the quantity of silver contained in it.

4372. Do you think that the Company might conduct the trade at a lower rate of freight than what appears to be the freight paid for the East-India Company's ships?—The Company take up their ships under the privisions of an Act of the Legislature. I allude to the 39th Geo III. c. 89, the provisions of which were re-enacted in 1818 in an Act carried through by the late Mr. Canning, when President of the India Board. The Act provides, that the Company in contracting for ships shall make it a condition of the contract that those ships shall be applicable to trade and to warfare. The Act also requires that the Company shall take up the ships for a certain number of voyages; and although that may be an arrangement which, generally speaking, is at least as beneficial to the contractor as to the Company, yet when it happens, as it has done to the Company, that contracts have been entered into in periods of high prices, followed by periods of unusually low prices, it is quite clear that the Company's shipping system must suffer in comparison with that of the private merchant; that is the case at present. The existing contracts for the ships now in the service were most of them entered into six and seven years ago. That the Company can engage ships, if they act solely as merchants, as cheaply as individuals, is evinced in the fact that, when under the authority which that Act gives them, they have taken up ships for only one voyage, they have got them quite as cheap as a merchant could. The difference in the rate of freight between the average period when the Company made the contracts for large ships now in the service and the present time cannot be less than 18 or 20 per cent.

4373. Do you mean to state that if it were not for the contract the East-India Company would freight to India as cheap as a private trader?—If the Company were unfettered by law, and were not compelled to make their ships applicable to political services, I have no doubt that they would engage them upon as good terms as individuals.

4374. When it has happened that there has been a great rise in price instead of a depression, did they make an allowance to the contractors?—That was done by a special Act of Parliament; and I believe the late Mr. Canning, who carried that bill through, took occasion distinctly to guard against its being construed into any thing like a precedent.

4375. In the early part of your evidence you alluded to the assistance rendered to the Indian territory by the China trade,

29 April 1830.

J. C. Melvill, Esq.

are you aware that it has been given in evidence before this Committee, that after paying the interest on the bond-debt, and paying the dividend to the proprietor, that trade has been a loss to the Company instead of a profit?—I have had an opportunity of examining the statements delivered in to this Committee by Mr. Rickards, with a view of showing that the profits of the tea trade have not been sufficient to meet the charge of the interest upon the Company's bond-debt, and the dividends to the proprietors; and I am prepared now to prove to the Committee that Mr. Rickards's statements involve errors and omissions, which, when corrected, leave a credit to the amount of £956,361 for the first of his statements, being that for 1820-21; of £1,127,696 for the second of his statements, being that for 1814-15; of £659,167 for the third of his statements, being that for 1827-8; and of £873,174 for the fourth of his statements, being that of an average of years since 1814-15. These errors are caused by an excessive charge for wastage, by including the India as well as the China freight, by including as charges several items already included in the invoice amount, by considering the interest on the Company's own capital as an actual outgoing, and by considering all the sea insurance as an outgoing; whereas the Company being their own insurers, have themselves, after charging insurance, the profit of that account. If the Committee wish it, I am prepared with those four statements of Mr. Rickards, together with those statements as I have ventured to correct them, and will, if desired, deliver these statements in, one opposed to the other, as a part of my evidence.

[*The witness delivered in the same, which are as follow:*]

29 April 1830.

J. C. Melvill, Esq.

MR. RICKARDS'S FIRST STATEMENT.

PROFIT AND LOSS, CHINA TRADE.

Page 425 .... 3435*a*.

	£.		£.
Cost of teas as per No. 32 of Papers relative to the India and China Trade, 4th June 1829; 28,545,960 lbs. (year 1820-21)...	1,874,840	Sale amount of tea sold in 1821-2, as per No. 33 of Papers of 4th June 1829; 25,492,001 lbs...	3,566,642
Freight and demurrage for the year 1820-21, as per No. 31.............	796,540		
Charges in China and England, as per No. 6 of Accounts relating to Tea Trade, &c. of the East-India Company, 14th May 1824:			
Salaries, emoluments, &c. 1820-21............ £. 95,653			
Expenses in China 54,735			
Do. in England.. 173,520			
Interest........ 236,287			
Insurance...... 58,654	618,849	Deficiency after paying interest on bond-debts and dividends, both which are, by the Act 53 Geo. III., s. 27, chargeable on commercial profits..	518,776
Interest on bonds, 1820-21.................	162,938		
Dividends on stock	632,251		
£	4,085,418	£	4,085,418

MR. RICKARDS'S FIRST STATEMENT,

As corrected by Mr. Melvill.

	£.		£.
Cost of teas as per No. 32, viz. 28,545,960 lbs.....	1,874,840	Sale of the quantity, per contra, viz.	
Freight and demurrage ..	536,740	27,975,041 lbs. (sale weight)	3,914,049
Charges: £. Canton Salaries 82,114 Do. England.. 173,520 Interest...... 236,287 Insurance 58,654	550,575	To be re-credited as above explained: Amount of interest earned on the Company's own capital...... £236,287 Amount saved by them in the mode of effecting their insurance 44,593	280,880
Interest on the bond debt	162,938		
Dividends on stock	632,251		
	3,757,344		
Surplus	437,585		
£	4,194,929	£	4,194,929

	£.
Surplus	437,585
Instead of a deficiency of....	518,776
Difference................	956,361

29 April 1830.

J. C. Melvill, Esq.

MR. RICKARDS'S SECOND STATEMENT,

(No. 1.—29th March 1830.)

PROFIT AND LOSS ON THE CHINA TRADE.

Page 492 .... 3764*a*.

Imports .... 1814-15.
Sales .... 1815-16.

Cost of 26,195,144 lbs. of tea exported by the East India Company from Canton to England in 1814-15, as per No. 32 of Papers relating to the Trade with India and China, 4th June 1829, 26,195,144 lbs.	£. 1,743,081	Sale amount of 26,234,244 lbs. of tea in 1815-16, as per No. 33 of Papers relating to the Trade with India and China, 4th June 1829........	£. 4,102,668
Freight and demurrage, as per No. 31	1,680,682		
Charges in China and England, as before	618,849		
	4,042,612		
Profit	60,056		
	4,102,668		
Interest on home bond-debt	235,967	Profit brought down	60,056
Dividends on stock	629,902	Deficiency	805,813
£	865,869	£	865,869

29 April 1830.

J. C. Melvill, Esq.

MR. RICKARDS'S SECOND STATEMENT,

(No. 1.)

As corrected by Mr. Melvill.

Cost, as per No. 32, viz.: 26,195,144 lbs.	£. 1,743,081	Sale of the quantity, per contra, viz. 25,671,241 lbs. (sale weight)	£. 4,014,622
Freight and demurrage, as per corrected statement upon that quantity	814,091	To be re-credited, as before explained:	
Charges: £. Canton Salaries, 82,114; Do. England.. 173,520; Interest ...... 236,287; Insurance 58,654	550,575	Amount of interest earned on the Company's own capital ...... £236,287; Amount saved by them in the mode of effecting their insurance 44,593	280,880
	3,107,750		
Profit	1,187,752		
	4,295,502		4,295,502
Interest on home bond-debt, as per No. 21 of Papers, February 1830, year 1815-16	£. 235,967		
Dividends .. ditto	629,902		
	865,869		
Surplus	321,883		
£	1,187,752	Profit brought down .. £	1,187,752

Surplus	£321,883
Instead of a deficiency of ..	805,813
Difference	£1,127,696

29 April 1830.

J. C. Melvill, Esq.

MR. RICKARDS'S THIRD STATEMENT, (No. 2.)

Profit and Loss, China Trade.

Page 492 .... 3764*a*.

Imports .... 1827-28.
Sales .... 1828-29.

Cost, 1827-8, of 31,593,176 lbs. exported from Canton, as per No. 32 of Papers relating to the Trade with India and China, 4th June 1829..	£. 1,981,419	Sale amount of 30,269,508 lbs. of tea in 1828-9, as per No. 41 of Papers relating to the Trade of India and China, February 1830, being a quantity (with the allowance of 5 per cent. for wastage) equal to that purchased in 1827-8	£. 3,527,057
Freight and demurrage, as per No. 31 of ditto . .	783,759		
Charges in China and England, as before	618,849		
	3,384,027		
Profit	143,030		
	3,527,057		
Interest on home bond-debt for 1828-9, as per No. 21 of Papers, February 1830..........	158,124		
Dividends on stock, per ditto	629,071	Profit brought down	143,030
		Deficiency	644,165
£	787,195	£	787,195

29 April 1830.

J. C. Melvill, Esq.

MR. RICKARDS'S THIRD STATEMENT, (No. 2.)

As corrected by Mr. Melvill.

	£.		£.
Cost, 1827-8, of 31,593,176 lbs. of tea, exported from Canton, as per No. 32 of Papers relating to the Trade with India and China, 4th June 1829	1,981,419	Sale of the quantity, per contra, viz. Sale weight, 30,961,313 lbs.	3,604,177
Freight and demurrage, as per corrected statement upon that quantity	550,866	To be credited, as before explained:	
Charges in China and England, as corrected, viz.		Amount of interest earned on the Company's own capital...... £236,287	
Canton salaries .. £82,114		Amount saved by them in the mode of effecting their insurance 44,593	
England ditto .. 173,520			280,880
Interest 236,287			
Insurance 58,654			
	550,575		
	3,082,860		
Profit	802,197		
£	3,885,057	£	3,885,057

		£.
Profit brought down		802,197
Interest on home bond-debt	£158,124	
Dividends on stock	629,071	
		787,195
Surplus		15,002
Instead of a deficiency of........		644,165
Difference		£659,167

29 April 1830.

J. C. Melvill, Esq.

MR. RICKARDS'S FOURTH STATEMENT,

(No. 3 in the Evidence of 29th March 1830,)

To show the apparent Result of the Company's Tea Trade, calculated on an average of the fourteen years contained in the Tables No. 31, 32, and 33, of "Papers relating to the Trade with India and China," 4th June 1829, or from 1814-15 to 1827-8 inclusive; and taking the charges in China and England at the same amount as in 1820-21.

Page 494, No. 3.

	£.		£.
Cost of 28,129,230 lbs. of tea, being the average of the quantities exported from Canton to England for fourteen years, as per No. 32 of the Papers referred to	1,819,788	Sale amount of 25,870,764 lbs. of tea, being the average of fourteen years' sales, as per Table No. 33 of the Papers, &c. above referred to	3,583,484
Average of the commercial freight and demurrage for the same period, as per No. 31 of the same Papers	867,654		
Charges in China and in England, as before....	618,849		
£	3,306,291		
Profit	277,193		
£	3,583,484		
Interest on the home bond-debt, average of fifteen years, as per No. 21 of "Papers relating to the Finances of India," February 1830..........	177,352		
Dividends on stock, average of ditto, as per do.	630,572	Profit brought down	277,193
		Deficiency	530,731
£	807,924	£	807,924

29 April 1830.

J. C. Melvill, Esq.

MR. RICKARDS'S FOURTH STATEMENT,

As corrected by Mr. Melvill.

Cost of 28,129,230 lbs. of tea, exported from Canton to England per annum, upon an average of fourteen years, 1814-15 to 1827-8, as per Papers No. 32..............	£. 1,819,788	Sale of the quantity per contra, viz. 27,566,646 lbs. sale weight	£. 3,818,389
Freight and demurrage, as per corrected statement, upon that quantity....	578,539	To be re-credited, as before explained:	
Charges: £. Salaries, Canton 82,114; Do., England.. 173,520; Interest ...... 236,287; Insurance 58,654	550,575	Amount of interest earned on the Company's own capital...... £236,287; Amount saved by them in the mode of effecting their insurance 44,593	280,880
	2,948,902		
Profit	1,150,367		
£	4,099,269	£	4,099,269

		£.
Profit brought down..................		1,150,367
Interest on the home bond-debt	£177,352	
Dividends on stock..........	630,572	
		807,924
Surplus		342,443
Instead of a deficiency of..........		530,731
Difference of......................		£873,174

29 April 1830.

J. C. Melvill, Esq.

4376. In those computations have you included interest on the bond debt?—Yes; but I would avail myself of this opportunity to state, that it seems to be quite a mistake on the part of Mr. Rickards to suppose that the interest upon the bonds is by law chargeable upon the Company's commercial profits. It is by law, together with their ordinary outgoings, chargeable upon the Company's home funds; but the question of whether it is chargeable upon the commerce or upon the territory of the Company has never yet been definitively settled. So far back as the year 1783, the Company, in a petition to the House of Commons, stated as follows:—"The bond debt which your petitioners now owe in a great measure arose from their military expenses in India, or has been necessarily continued on that account; independently of these expenses, your petitioner's ordinary mercantile profits would have enabled them to have extinguished the whole of their bond debt long before their territories were acquired." I believe the Company consider that this reasoning has gained force from subsequent events; and if the Committee will refer to the 51 Geo. III. c. 64, they will see that Parliament has given some recognition of a political character to this debt.

4377. You have stated in your evidence, that in the official documents as to the quantities of teas sold in the year 1828-9 there is a great discrepancy; can you explain those variations that appear to exist?—Those discrepancies entirely arise from the accounts which were called for differing in their titles and in the periods to which they refer. The first of the accounts, No. 33, to which Mr. Rickards refers (page 491) relates to the Company's tea only, and the period in that account is from March to March, which was the official year before 1814-15. The second account, No. 38, includes, as its title imports, the teas of the commanders and officers of the Company's ships. The third account, No. 41, embraces the period from May to May, which is the present official year.

4378. You have stated that these accounts were called for; by whom were they called for?—By the Board of Commissioners for the Affairs of India, and subsequently laid before Parliament by the King's command.

4379. Then you mean to state that if the words of the order had been given the same for each of the accounts called for, those variations would not have happened?—There could have been no discrepancy.

4380. What are the titles of the Acts which you consider oblige the Company to prepare the ships for trade and war?—The 39th Geo. III. c. 89, and the 58th of Geo. III. c. 83.

4381. By what authority are the ships going to North America exempted from that?—There is a special clause which autho-

rizes ships to be taken up either for an unforeseen exigency, or for one voyage only, by private contract. 29 April 1830.

J. C. Melvill, Esq.

4382. Then it is under that provision that the tea trade to North America is carried on?—I apprehend it is.

4383. In speaking of the facility which the Company have of freighting ships as low as private individuals, does not the amount of freight which the Company pay depend upon the equipments, the amount of stores, and number of men which they in their tenders require the owners to produce?—No doubt it does; but the equipment must necessarily be governed by that condition in the law which requires that when ships are built for the service they shall be applicable to warfare.

4384. Is there any thing in the Act which requires the Company to continue a war equipment during peace the same as during war?—The Company do not retain a war equipment in peace. I apprehend that the condition of taking up the ships for war renders the price higher at the period when they are engaged; that a ship applicable to war would be tendered at a higher price than a ship that is not so applicable.

4385. When ships are taken up for one voyage, is not it left at the discretion of the Court of Directors?—Undoubtedly.

4386. Is there any reason why ships taken up for one voyage by the Company should not be as cheap as those that private individuals can take up?—I apprehend not, unless it should happen, as it frequently does, that a ship for one voyage is taken up for the purpose of conveying troops as well as of bringing home goods from India, and that double service renders necessary those conditions which involve a higher rate of freight.

4387. For a direct voyage to China, you are not aware of any conditions that require it?—No.

4388. Are you not aware that ships in time of peace are not equipped as they were in time of war?—Certainly not; but the ships have constantly in peace a political service to perform in the conveyance of troops and stores.

4389. Do the Company ever send out troops in ships hired for one voyage, and not in the regular service?—Yes, they do occasionally.

4390. Are you able to state what is the additional freight paid by the Company for such ships that carry troops?—I am not able to state what it is.

4391. Are you aware whether the troops are carried with equal convenience and safety in the ships hired for one voyage as in the larger ships?—I should say not; and the reason why I say so is, that when the Company in some former periods have made use of a small ship instead of a large one for the conveyance of troops, complaints upon that ground have been

29 April 1830. — *J. C. Melvill, Esq.*

made to the Court from the Horse Guards. The general impression upon my mind is, that the accommodation of the Company's larger ships has been preferred and desired.

4392. You are aware that there is in the Company's warehouses and in transit always two years' consumption of tea; do you conceive that to be required by the Act of Parliament in which this clause is to be found: "That the said United Company shall from time to time send orders for the purchase of such quantities of tea, and provide sufficient ships to import the same, as, being added to the stock in their warehouses, and to the quantities ordered and not arrived, shall amount to a sufficient supply for the keeping a stock at least equal to one year's consumption, according to the sales of the last preceding year, always beforehand:" in your opinion, does the construction of that Act of Parliament require two years' stock of tea to be kept always on hand?—The Company have construed that law to mean that it requires that they should have always one year's consumption in stock in London. They must, of course, have more than that in a part of the year, because the ships arrive at a particular period; so that when the ships have discharged, the stock must amount to more than one year's consumption, or it would be materially less at the end of the year.

Lunæ, 3° *die Maij* 1830.

THOMAS GORE LLOYD, Esq. again called in, and examined.

3 May 1830. — *T. G. Lloyd, Esq.*

4393. Your signature appears to a paper given in to the Committee, being an account of profit and loss upon the trade of the East-India Company between Europe and China for the last ten years; what is included in what you term the prime cost, calculated at 6*s.* 8*d.* the tale?—That prime cost is the invoice amount of those teas.

4394. What is included in the invoice amount of those teas in the charges of China?—There are what they call the proportional charges; they amount to about three per cent.

4395. Is the prime cost stated in that account the same as the cost in China, as stated in the amended estimate (No. 2.)?—It is not.

4396. What is the difference?—The difference is, that the prime cost in the amended statement of the computation of the upset price of tea contains a calculation for the rupees of the supplies furnished to China from India at 5*s.* 2*d.* per ounce according to the mint price of silver, making the rupee about 2*s.* 0½*d.*

4397. Does that make the prime cost, as stated in your paper, more or less?—The prime cost is less in the computa-

tion of the upset price of tea, because the prime cost in the account of profit and loss calculates the rupee at what are termed the Board's rates, that is, at 2*s.* 3·84*d.*

4398. Is there any other difference in the calculation?—There is another difference, not in the prime cost but in the charges; the prime cost in the amended paper includes interest and insurance upon the outward consignments. In the paper of profit and loss, that interest and insurance is not included, inasmuch as I hold interest of money to be a profit, and we charge the actual loss to the Company in the profit and loss account, and not a rate of insurance.

4399. In this paper which is given in of profit and loss, no charge such as is made in your statement for the interest from the arrival of the teas in England to the estimated realization of the same amount, eighteen months, and no insurance at three per cent. upon the teas home-charged in your statement, are included; do you not consider that that should go into the account in order to exhibit the amount of profit and loss?—I do not; upon this principle, that interest itself is held to be a profit, and the actual losses are included in that account, instead of a rate of insurance.

4400. How is it possible that this can give a correct estimate of the net profit, when a sum so large as from £250,000 to £260,000, which is the rate of interest charged in other accounts upon the investment in teas, and a sum as large as £50,000 to £60,000, charged for insurance, are entirely omitted?—Because the Company trade upon their own capital, and whatever interest they make upon that capital is a profit; if they were to charge it in the first instance, they would have to re-credit it.

4401. Then you consider that interest is not a proper charge at all to go into the cost of the tea?—It clearly forms an item in the cost of the tea when put up under the Commutation Act, but not in the profit and loss accounts, for the reasons I have given.

4402. Are you acquainted with a document which was given in to the House of Commons in 1824, in which the charges upon the tea were stated under different heads, say the heads of salaries, emoluments, and expences, in any of the expences in England, and the interest and the insurance?—I am.

4403. If those were not charges proper to be taken into the calculation, why were they put in at that time?—Because the charges included in that paper were those which it was presumed the Company had a right to charge under the Commutation Act.

4404. Is it to be understood that those charges, made agreeably to what the Commutation Act sanctioned, were not actually expences incurred?—The interest being that upon the Company's own capital, was not an actual outgoing, and the

3 May 1830.

T. G. Lloyd, Esq.

Company being their own insurers had the profit as underwriters.

4405. Do you not consider that the Company is exposed to those charges as any other commercial dealer would be?—I conceive that the Company traded upon their own capital, and that whatever interest they made upon that capital they had a right to put among their profits.

4406. Do you know that it is the custom of merchants, in casting up their profit and loss at the end of the year, to charge it with interest?—Yes, but the interest of that capital would go to pay their own dividends.

4407. The question is not on the dividends, but on the profits, and the account moved for was one of net profit; how can it be an account of net profit when interest is not deducted?—I conceive, notwithstanding, that the interest on capital is part of their profit, as they charge themselves with interest of all money; all interest of money on their own capital I consider as a profit.

4408. Supposing the Company were to withdraw their capital from the trade in which they were engaged, and to employ it in some other way, they would be receiving the fair rate of interest on that capital so employed?—I apprehend they would.

4409. If then the amount of interest which the Company do not charge, but which they would make by the employment of their capital in any other way, and the amount of insurance, which is a risk incurred by them which they might also make by underwriting other risks, were deducted from the sum of the net profit to the Company, would it not reduce that profit most materially, to the sum of about £300,000 or £250,000, instead of £763,000?—I apprehend there is a difference between profit as interest for the use of money and mercantile profit after charging the account with interest, and the Company are their own underwriters, and they have a profit of insurance.

4410. Supposing the Company were to render an account of profits as any other merchant would do, charging the account with interest for the capital employed, and charging the account with premium of insurance which would be paid if they were not their own underwriters, would you not reduce that by so much as those two sums would amount to, which on these accounts is about £350,000; would not that reduce the account of net profit they have given in here so much?—If they were to charge their capital with interest, and if they were to charge insurance, certainly it would reduce it; but, on the other hand, they would receive interest for the use of their own capital, and their profit as underwriters.

4411. So that the net profit as given in in this account is not

the net profit; it is the profit they make of interest upon the capital employed, and the premium of insurance which they make, being their own underwriters?—The net profit includes those items.

4412. So that, in fact, to any mercantile house this account of net profit given in by the Company is a fallacious one?—I am not prepared to say that; the most cursory examination of the account will show the column containing actual losses, instead of a rate for insurance.

4413. You state that this account is not charged with insurance, because in making it up it is only debited for the loss that may have accrued to stand against the premium with which the Company, in another account, debit themselves; there appears no column here for any loss, there has been no loss probably?—There is a column, I believe, for losses; "losses at sea on consignments between Europe and China."

4414. Where is the balance of that sum then carried?—The Company debit themselves only with their actual losses.

4415. In this same account there appears a column of charges on merchandize calculated at five per cent. on the sale amount of the goods; on what data do you take that five per cent.?—That five per cent. has been a rate that we have used for years, ever since I can remember; and by calculations at various times it was found to be as nearly accurate as may be.

4416. You have made out a statement in your own corrected examination upon the same data, in which you charge the expences, landing, housing, warehouse-room, carting, preparing for sale, and all charges of merchandize, on the same data?—They are made out on a more accurate one.

4417. Are you not aware, that instead of giving five per cent. upon the cost of the tea, the return makes it nine and a half and ten per cent.?—I have never made a calculation.

4418. If it does, it must be clear that the calculation of five per cent., as given in in the first account, is perfectly incorrect?—I believe not, inasmuch as that charge of merchandize is not upon the sale price; the charge of five per cent. is upon the sale price, the other is upon the cost price.

4419. The charge upon the sale price is five per cent. without the duty?—It is.

4420. That is not the upset price?—No.

4421. Do you not keep a separate account of your insurance, deducting the risk from the premium you set aside?—We do keep an account of that fact in our ledger, for the purpose of ascertaining the balance of that insurance account, but have never carried it forward as a separate article of profit and loss.

4422. Are you able to ascertain by that the per-centage at

3 May 1830.

T. G. Lloyd, Esq.

which the risk was taken?—By that account we should show how much we have gained by underwriting.

4423. Have you on the same principle the same account of charges, so as to show what is the profit you gain by setting aside five per cent. in the manner you have done?—I do not apprehend we gain any thing by that; we can make up such an account.

4424. You were understood to say you had a more accurate mode?—Yes, as it respects the upset prices.

4425. Can you furnish the Committee with what it was the object of the person who moved for it to get, a mercantile account, in the way in which merchants consider such an account, of the profit and loss of the East-India Company's tea-trade with China for one year, taking into account interest upon the capital employed as calculated in forming your upset price, taking insurance as calculated in forming your upset price, and placing the positive charges paid for warehousing, housing, carting, and other expences?—If the Committee will be pleased to direct such an account, I have no doubt we shall be able to furnish it.

4426. In the annual commercial account there is an item stating the charges general; can you furnish the Committee with the particular items which compose that sum, which amounts to £450,000?—Yes, we can for any year.

Jovis, 6° die Maij 1830.

Captain JOHN MACKIE called in, and examined.

6 May 1830.

Capt. J. Mackie.

4427. You have resided in India several years?—I have for ten years.

4428. From what period?—From 1820 till the latter end of 1829.

4429. Did you command a ship in the China trade?—I commanded a Spanish vessel on the coast of China.

4430. What was this vessel engaged in?—In the opium trade.

4431. She was sailing under Spanish colours?—She was.

4432. What ports of China have you visited?—I visited the port of Amoy, and all the ports between that and Canton.

4433. Were you entirely engaged in the opium trade?—Entirely; I carried also a little saltpetre.

4434. What was the name of the ship?—The St. Sebastian.

4435. Whom was she owned by?—Spaniards.

4436. Did any part of the cargo belong to British merchants?—Entirely British.

4437. Can you state any other ports in China that you touched at besides Amoy?—Not any other principal ports; I touched at all the ports between Amoy and Canton.

4438. You lie off some ports, do not you?—I lay off the port called the Cape of Good Hope, and the island of Namo.

4439. At what distance is the Cape of Good Hope from Canton?—About three hundred miles to the north-east.

4440. Did you find good shelter for your ship?—Excellent; all those harbours are as safe as the port of Canton itself.

4441. Was the trade you carried on authorized by the laws of China?—I understood it was not authorised, but it was done quite openly.

4442. In the same way that the opium trade is carried on at Canton?—The very same.

4443. Have you ever experienced any difficulty in carrying on the trade, although not formally sanctioned by the Chinese laws?—Never the least.

4444. Who were the parties with whom your trade was carried on?—The Chinese merchants.

4445. Resident at any particular points?—Some of them from the city of Amoy, some from Ta-ho and Namo, and some from inland towns.

4446. Are any of those places in the province of Fokien?—Amoy is in the province of Fokien. I am not aware whether the island of Namo is in the province of Fokien or not.

4447. Have you got better prices for those articles than could be got at Canton?—Yes.

4448. What was the difference of the price?—About 100 dollars upon a chest of opium, or 125, and sometimes 150, and sometimes higher.

4449. What advance was there upon the price of saltpetre?—About three dollars a pecul.

4450. What might be the total value of saltpetre and opium that you disposed of upon any one voyage?—In my second voyage I brought back treasure to Lintin to the amount of 132,000 Spanish dollars, partly in dollars, and partly in Sycee silver.

4451. What did you bring back the first voyage?—About 80,000 dollars, in dollars and Sycee silver.

4452. How long did this second voyage last from your leaving to your returning to Lintin?—Eight weeks.

4453. Where did you dispose of this cargo?—At the Cape of Good Hope.

4454. Was there safe anchorage there?—Quite safe.

4455. Is that near any town?—Yes, it is within fifteen miles of a very large city, the city of Tyho.

6 May 1830.

Capt. J. Mackie.

4456. From the time of your arrival how long were you detained before you disposed of the whole of your cargo?—From fifteen to twenty days.

4457. What did you receive for your cargo?—Sycee silver and dollars entirely.

4458. Why did you make your returns in bullion only?—I was particularly desired by the agents of the brig to take nothing else.

4459. Could you have had returns in the produce of the country?—I could have had returns in any produce of the provinces, such as sugar, tea, cassia, tortoiseshell, nankeens, or any thing that could be had.

4460. You would have had no difficulty in completing your cargo of those articles?—Not the least.

4461. In what manner is the produce of the north-eastern provinces sent to Canton?—I presume it is principally sent by sea, from the number of large junks always upon the coast.

4462. Have you seen teas sent by sea?—Yes; I have been on board of two junks entirely loaded with tea.

4463. What was the size of them?—They could not have been less than 200 tons

4464. From whence did they come?—They came from Amoy, and they were bound to Canton.

4465. Did you board those junks?—I boarded both of them, and sent letters by them to Canton.

4466. Were those letters regularly received?—They were received in due course.

4467. Do you think you could have loaded your vessel with teas of good quality?—I have no doubt I could, of the very best quality. I have no doubt I could have had any sort of Chinese produce that I wished.

4468. Had you any conversation with the captains or the supercargoes of the junks?—Yes; one of the merchants gave me an invitation to wait upon him at his house at Canton.

4469. Do you think you could have disposed of any other article besides those you sold at the places you visited?—Yes; I think that woollens might have been disposed of, and perhaps a small quantity of iron, a few watches, and different kinds of things.

4470. What species of woollens do you think you could have disposed of?—Principally long ells and fine broad-cloth; blankets and camlets also would have sold very well; they are in ready demand all along the coast of China.

4471. Were there any duties paid to the Government upon those cargoes?—I never paid any duties; but I understood that upon all opium that is taken away from the ships the inferior

6 May 1830.

Capt. J. Mackie.

officers of government get about twenty dollars for every chest. The Chinese pay that themselves; the ships pay nothing.

4472. Did you ever pay any port-charges of any kind?—Never.

4473. Were you ever annoyed by the Chinese authorities?—No. I have been requested, as a favour, to shift my situation, as the principal officer was coming; and I have gone away, and come back again in one or two days.

4474. Have you ever landed when you were engaged in this trade?—Frequently; almost every day.

4475. Whenever you liked?—To any place I liked.

4476. Were you on such occasions ever annoyed or ill treated by the authorities or by the people?—Never; quite the contrary; I was always received in a civil way. I had invitations into their houses, and was treated with tea and sweetmeats.

4477. How far have you penetrated into the interior of the country?—Six or seven miles.

4478. Could you have gone further if you had pleased?—Any distance I pleased.

4479. What cities or towns have you visited on such occasions?—I visited the city of Kesiak, the city of Amoy. The city of Tyho was too far distant from the ship, and I did not visit it.

4480. Is Kesiak a large town?—It is.

4481. What is the population of it?—It is impossible to tell the population; I think it is nearly as populous as Canton.

4482. Is there a harbour at Kesiak?—A fine harbour.

4483. Was that a commercial town?—It is a commercial town for junks only.

4484. Do you know what province it is in?—The province of Canton.

4485. What distance from Canton is it?—About 150 miles.

4486. Is there much foreign trade carried on in Kesiak?—I am not ware that there is any. There is a very large coasting trade.

4487. Are you of opinion that the Chinese in the places you visited are anxious for the extension of commerce?—I should conceive that they were, because I have always found the Chinese inclined to buy any thing that was at all useful, of any description.

4488. You conceive them to be any thing but an anti-commercial people?—I should consider them to be quite otherwise.

4489. Do you conceive that they have any antipathy to strangers?—I should conceive quite otherwise. In the northern provinces especially I was most politely received, and my people were equally the same.

6 May 1830.

Capt. J. Mackie.

4490. Being under the Spanish flag, could you have carried on a legitimate trade at the port of Amoy?—Yes; the Spaniards have had the privilege, but latterly they have not sent any ships there.

4491. Perhaps a legitimate trade was not your object?—Not at all; we were trading in prohibited articles.

4492. Do you imagine that the contraband trade is more profitable than the authorized trade?—I have never been in the authorized trade, and therefore I cannot state that.

4493. Did any other British ships under the British flag prosecute the same trade that you did at that time?—Yes, there was an English ship, the Merope, belonging to Calcutta; the Valetta, the Eugenia, the Jamecena, and the Dhaule schooner.

4494. What were those vessels?—All English vessels belonging to the port of Calcutta.

4495. Where were they trading to?—To Formosa, and the port of Nimpo, which is considerably to the north.

4496. Is not that in the province of Kiangnan?—I believe it is.

4497. Did those ships go to Amoy?—One of them I think did, but they did nothing; they knew that nothing could be done by the merchants. The Merope touched off Amoy, but it did not go in, because she could not trade in opium.

4498. Had you any communication with the commanders of those vessels?—Frequently, although we had different interests, all except the Merope.

4499. Was your interest the same with the Merope?—She had an agent of ours.

4500. Did you understand from the commander of those vessels that they carried on the trade as easily as you did?—With the same facilities; although I believe I was rather more fortunate than they were, being engaged in the trade earlier.

4501. At the ports you have named, do you know whether the import and export duties are paid to the government?—I am not aware of the duties; I never heard the duties mentioned.

4502. Did the Americans ever engage in this trade?—American vessels have gone to the coast, but I believe on British account.

4503. Did the British vessels you have named visit any ports besides those you have mentioned?—The Merope traded to the port of Chinchoo and the island of Formosa.

4504. Did the Merope go to Nimpo and the Cape of Good Hope?—Yes; she touched at every port on that coast.

4505. Which do you conceive is the best station for carrying

on that trade?—The best station I ever found was between the island of Namo and the Cape of Good Hope. 6 May 1830.

Capt. J. Mackie.

4506. Why do you conceive that to be better?—Being the centre between two very large towns.

4507. Have you ever been off the province of Fokien?—Yes.

4508. What harbour did you go into there?—I went into one of the ports of Chinchoo.

4509. What was the species of cultivation you saw when you landed there?—The only species of cultivation I have seen was rice and sugar.

4510. You did not go into the tea country?—No; I have never seen any tea. I was in the neighbourhood of it, and I understood it was within a short distance of where I was.

4511. Does not the tea generally grow in the hilly districts?—All along the coast is a mountainous district.

4512. What did your crew consist of?—Of all sorts; English, natives of India, and natives of the Phillipines.

4513. What number of Englishmen had you?—I had sometimes from ten to twenty.

4514. What was the number of your crew?—Forty.

4515. Did those Englishmen land?—Yes, frequently.

4516. They had intercourse with the natives?—Yes.

4517. Did you ever hear of any disturbance between them and the natives?—Never the least disturbance.

4518. Were the crews generally well received by the natives?—Equally as well as I was myself; they were allowed to walk about the fields, and to go into the houses.

4519. Were any British seamen on board the other ships?—Yes. The Americans had all American seamen; the Merope had ten or twelve English seamen.

4520. Do you know of the ships you have mentioned having British seamen on board?—It is most likely that the other ships had at least six English seamen on board, as sea-cunnies.

4521. Did you ever understand that the commanders of those vessels experienced any inconvenience from that circumstance?—I never experienced the least inconvenience; nor did I understand that any was experienced by the others.

4522. Did you find the coast of China generally in a state of good military defence?—I should say quite the contrary, because the greatest number of troops that ever I have seen was in the train of Mandarines, to the amount of about 500.

4523. How were those armed?—They were dressed in red calico jackets with a large bamboo hat on, and with large wooden

6 May 1830.

Capt. J Mackie.

shoes; some with bows and arrows, and some with matchlocks and some with spears.

4524. Supposing you had had a serjeant's party of English troops, what would have been the effect upon the Chinese soldiers?—They would have run away.

4525. Did you ever go into their forts?—Frequently.

4526. In what state were they?—In a state of dilapidation.

4527. What was the state of the guns?—The guns were all dangerous to fire, being honey-combed; and being laid between two pieces of wood, they could only be fired in a straight direction.

4528. Were the fortifications in a pretty good state?—No, quite ruinous; there were about forty or fifty men in each of the fortifications.

4529. What was the reason you had so many men in a brig of 200 tons only?—The reason was that we had to beat up against the monsoon, and that we had a valuable cargo on board.

4530. Did not you find that the number was too large?—I reduced the number afterwards to thirty.

4531. Had you any Spaniards on board?—I had one Spaniard to represent the flag, to be captain or supercargo.

4532. Did you observe any British manufactures in the places you visited?—Yes; I frequently saw the Chinese wearing them, such as camlets, cloths, long ells, and some English blankets, English watches and English spy-glasses.

4533. Do not the Chinese of respectability generally wear two watches?—That is always the case.

4534. Are not those watches almost entirely of English manufacture?—Entirely English and French.

4535. Which predominate, the English or French?—I believe the English predominate, because no makers in Canton can repair the French.

4536. Do you know why they wear two generally?—Because they say if one goes to sleep the other is awake.

4537. How did you find the climate from the month of November to the month of March?—Extremely cold; the thermometer ranged from 45 to 60.

4538. Would there be a demand for English blankets?—I should conceive there would be a demand for English blankets.

4539. Are they now generally purchased by those that can afford them?—By every one that can afford them.

4540. What description of native woollen manufacture is there?—The only native woollen manufacture I saw is in imitation of cashmere shawls. I think it is manufactured of goat's hair; it is a fine sort of white flannel.

6 May 1830.

Capt. J. Mackie.

4541. Is it of a high price?—It is not within the reach of the poor people at all.

4542. What is the common dress of the poor people?—Blue cottons.

4543. Do you know where those cottons are manufactured?—In China.

4544. Do you know in what part?—They are manufactured in all the provinces. I have seen them manufactured in every village I have gone into.

4545. Did you ever observe what sort of machinery they had for the manufacture of those cottons?—A very rude loom, quite in a very old fashion.

4546. Did you ever compare the price of cotton so manufactured in China with the price of English cotton?—No, I never did; it is much dearer than English cotton, because English cottons sell in China at very fair prices; and they dye English long-cloths afterwards as a substitute for their cottons, and they are much cheaper.

4547. Do you know the proportion of cost?—No.

4548. Did you see them spinning?—Yes.

4549. How is the cotton spun?—The women spin with their hands.

4550. And there is no sort of machinery, except a very rude loom, applied to the Chinese manufacture?—None that I have seen.

4551. Were those cottons that they dye Indian or English cottons?—English.

4552. Do the natives prefer their own, being dearer?—Their own cottons wear better; but a cheap article is always a great object with the Chinese, even if it should not wear so well.

4553. Supposing there was a great trade carried on between England and China, do you not imagine that the cheap manufacture of England would to a considerable extent supplant the dear manufacture of China?—I have no doubt it would entirely.

4554. Is the trade you have described as being carried on when you were there still carried on?—It is.

4555. In what year was this?—In 1823 and 1824. Afterwards I lay as a depôt ship at Lintin.

4556. How long were you altogether in China?—Four years and a half.

4557. How long is it since the Spaniards have given up the trade to the port of Amoy?—About thirty years. As the junks go over now from Amoy to Manilla with the same goods, they can purchase them at a cheaper rate than they could get them at Amoy.

6 May 1830.

Capt. J. Mackie.

4558. What was the last year you were in China?—I was there five months in 1828, at Macao and Canton.

4559. In what year were the British ships you have mentioned there?—They were there the same year as myself, and I left some of them lying there as depôt ships at Lintin; they are lying there now as depôt-ships.

4560. Do you know of any ships having been there last year?—No, I do not know of any ship. There was one vessel went up in 1828 when I was there, and delivered a cargo upon the coast.

4561. What are the depôt-ships?—They are ships that lie outside of the islands a Macao, to receive opium, or any other goods that are wished to be deposited on board of them.

4562. Then you have no knowledge of any lawful trade carried on there at all?—Not the least.

4563. Were the others obliged to move sometimes as well as you?—Yes; we moved as a favour to the Mandarins. The Mandarins come down once or twice a year, and send a person to warn you to shift yourselves.

4564. You are obliged to shift your station?—We were not obliged to do it; but it was to favour them, that they might make a report that it was all clear.

4565. What number of ships do you remember there at any one time?—I have seen as many as twenty ships at one time.

4566. How many European ships?—I have seen ten European ships, and a considerable number of American ships.

4567. Did those ships trade to the port of Amoy?—No; there has been no trade done at the port of Amoy; they traded to the island of Formosa and Nimpo, and about the Cape of Good Hope; some of those merchants went to Amoy and different parts.

4568. In fact they were coast smugglers?—They were.

4569. Under what flags were they?—The English flag; all except the Americans, and the vessel I was in command of, which was a Spanish flag.

4570. Were there any Portuguese?—There was sometimes a Portuguese vessel.

4571. You were understood to say, that you did not find it necessary to establish any stricter regulations with respect to intercourse with the shore than at other places?—Not any; I allowed my crew to go on shore at any time they pleased.

4572. Have you ever known any inconvenience from it?—Not any.

4573. Have you known any to happen with any other ship?—Not any.

6 May 1830.

Capt. J. Mackie.

4574. Was it the general practice of the ships?—It was; there was never the least disturbance.

4575. Did you see the ten or twelve British seamen that you spoke of on board the Merope?—Yes; I was on board of her every time she came on the coast.

4576. Who commanded that ship?—Captain Perkins, a lieutenant of the navy.

4577. Do not you know that the country ships generally have sea-cunnies, that are natives of India?—Yes; but an opium ship being of considerable value, it is necessary to have an efficient crew on board; and we prefer to have a few Englishmen, as being steady men, in preference to the natives of India; and the Merope, when she was on the coast, had a very valuable cargo on board of her.

4578. Do you remember the name of any of the depôt-ships you have mentioned?—Yes, I remember them all.

4579. In your license was there any limitation as to the ports to which you were to go?—I was quite independent of the Company.

4580. Where did you get your license?—My owner was consul for the King of Spain at Canton, and he gave me a license whenever I went to sea.

4581. Have you been at Manilla?—I never have.

4582. Is there much trade between Manilla and China?—A considerable trade in rice, and some China goods.

4583. Was there any other ship under Spanish colours besides yours?—None; and the vessel that I was in is sold.

4584. And there is now no trade under Spanish colours?—None.

4585. Were you not offered to carry on a legitimate trade with Amoy under the Spanish flag?—Yes; by the Viceroy of Amoy.

4586. What intercourse had you with him?—He visited us on board the ship.

4587. How far were you from Amoy?—We were in the port of Amoy, right off the palace.

4588. What passed between you and the Viceroy upon that occasion?—Merely compliments.

4589. In what terms did he offer you to trade with Amoy?—He had to make a reference to another superior before he could give the terms.

4590. Was that reference ever made?—We did not wait till he came.

4591. Did the Viceroy know that you had opium on board?—No; it was known to the opium dealers, but not to the Viceroy.

6 May 1830.

Capt. J. Mackie.

4592. How came he to offer you a legitimate trade?—Because we hoisted our colours.

4593. Did he mention the word legitimate?—He said he would give us a free trade.

4594. Do you understand the Chinese language?—I do not understand it so as to write it; I can speak it a little.

4595. Is saltpetre a prohibited article in China?—It is an article that by law is always obliged to be sold to the government, but it is principally sold to the outside dealers, who give a higher price for it.

4596. Did you converse with the Viceroy?—Yes, through an interpreter.

4597. Did he use the word legitimate?—No; he offered to give us a cargo in exchange for what we might give him, money or any thing else. He said, if we wished to have a cargo, he wished to renew the intercourse on the same terms as it had been before.

4598. What cargo would he have given you?—Any thing we wished to purchase.

4599. What commodities could you have had from him?—As we had no intention of exporting any thing, we made no inquiries.

4600. Is the saltpetre imported into China solely for the purpose of being converted into gunpowder?—Solely for gunpowder and fireworks; the Chinese use a great quantity of small fireworks.

4601. Is Amoy a very large town?—A very large town; there are nearly as many junks about there as about the port of Canton.

4602. Do you suppose it is as populous as the port of Canton?—It is very difficult to say as to that.

4603. Did you find the country of China through which you went populous or not?—Every part populous. When I have been lying at the Cape of Good Hope I have seen 1,000 fishing-boats going to sea in a morning; I have counted them.

4604. You had no commercial intercourse with the Viceroy?—None.

4605. Did he offer you to purchase any thing you had, and did he specify the kind of cargo he was ready to give you in return?—He specified that he wished to renew intercourse upon the old establishment, and any cargo that we wished to purchase he would do it in the old way.

4606. Is there not a considerable foreign trade carried on with Amoy?—Yes, principally to Manilla and Sincapore.

4607. Did you know of any junks that went from Amoy to Sincapore?—Yes, there are a considerable number.

4608. Are they large junks?—About the size of 500 or 600 tons.

4609. What do they take to Sincapore?—A Chinese cargo consists of a variety of things; crockery-ware, coarse teas, and every thing they expect to sell.

4610. What did the junks bring back from Sincapore?—Sandal-wood and opium are the staple articles.

4611. From your experience and observation of the Chinese ports, what are the articles of European manufacture which you consider would obtain the most ready sale?—I should think woollens would be the most ready article; camlets, fine cloths, and coarse white cottons.

4612. What should you say of iron, in the shape of bars, and of hardware?—Iron in the shape of bars would sell; I do not know how hardware would sell. The Chinese would like it better in the unmanufactured state, in order that they might manufacture it as they pleased.

4613. Is iron extensively used in China?—Very extensively used.

4614. Where is it principally obtained?—I believe in the country.

4615. Do you know any thing of the cost of its production?—No; but I know that to get any iron wrought up in China will cost you as much as twelve dollars a pecul; that is what I have paid for iron from Canton.

4616. Do you know any thing of the relative cost of their own earthenware with that which might be exported of similar quality from this country?—I do not know. I think the Chinese could produce their own earthenware cheaper than it could be exported from this country.

4617. Has not it been exported from Sincapore?—Yes; I have often had crockery on board. As a depôt-ship I have often received goods, such as woollen goods, crockery-ware, glass, and Birmingham hardware, which have been sent up to the port of Canton and sold.

4618. What was the general quality of the Chinese iron that you saw?—I think it is of very inferior quality; it rusts very soon, and decays.

4619. Do you know in what part of China the manufacture is?—No.

4620. Is there much demand for leather; do they use leather much?—Yes; the opium chests are covered up with old sheepskins, and they were very fond of purchasing them.

4621. Did you sell them well?—Yes, pretty well.

6 May 1830.

Captain WILLIAM MAXFIELD called in, and examined.

Captain W. Maxfield.

4622. ARE you an officer in the military navy of the East-India Company? – I am on the retired list at present; I have been an officer in the service.

4623. How long did you reside in India?—An uninterrupted period of nearly twenty-five years.

4624. How long is it since you returned?—I returned from India in 1823.

4625. In what capacity did you serve in India besides that immediately connected with your official duties as an officer?—I accompanied the embassy to Synd as Surveyor in 1807 or 1808; I officiated for nine years as Assistant in the Surveyor-general's department, or Deputy Surveyor-general of India in Bengal; I was employed in all the expeditions against the European enemies of my country in India between 1798 and 1823; I commanded two ships on the expeditions to Java and the Isle of France. On the Java expedition I officiated as Deputy Agent-general of Transports also.

4626. Were you employed with the British army in Guzzerat?—I was. I accompanied the army in Guzzerat a short time, and afterwards held a civil situation at Voorbunder, in the province of Guzzerat.

4627. How long did you hold that situation?—I only held the civil situation a few months; I begged to resign it to go on the expedition to the Isle of France.

4628. What parts of India have you visited?—I visited almost all the principal ports of India, Arabia, and Persia, the Red Sea, and the Eastern Archipelago, and the Bay of Bengal.

4629. Did not you assist in the expedition to Egypt?—I was in one of the ships which proceeded on the expedition to Egypt.

4630. Have you ever visited any of the ports of China?—No; I have merely been in the China seas cruizing.

4631. Have you ever paid any considerable attention to the commercial affairs of the East-India Company?—I have paid some attention to it, in consequence of having determined some years ago upon writing a work descriptive of the different branches of the East-India Company's service. I was led to project such a work from observations I had occasion to make in the course of my service; however, I have since relinquished the intention; but that led me to consider it more maturely than I otherwise should have done, as it formed no portion of my professional pursuits.

4632. Do you conceive that there are any improvements that might take place in the points you considered?—Yes; it was the defect in the various branches of the service that led me to the consideration there were many defects in the different branches of the establishment, so evident, that it led me to con-

sider the subject, in order to trace the cause of the defects, and to point out, to the best of my observation, a remedy.

6 May 1830.

Captain W. Maxfield.

4633. Are the defects you allude to defects in the service with which you were yourself connected?—There were defects evident and monstrous in the corps I belonged to.

4634. Do you confine your observations as to those defects to that corps, or do you apply them to any other parts of the affairs of the East-India Company?—No, I do not confine them to that. I observed defects in efficiency in various branches of the service; and it was that inefficiency that led me to consider the subject, for the purpose of giving a detailed account of it, in order that a remedy might be applied hereafter.

4635. Have you ever been engaged in trade?—Never, upon any occasion.

4636. Have you had any means of becoming acquainted with the East-India Company's commercial shipping?—I have.

4637. What class of ships have the East-India Company been in the habit of employing in their commerce?—Of various classes; latterly greater variety than formerly; I speak of the last twenty-five years; they have some larger ships now than they had at that time. I believe the regular ships employed by the East-India Company are from 700 to 1400 tons; other ships are occasionally engaged in their service, as extra and chartered ships, of a smaller description.

4638. Do you conceive that the large class of vessels of the East-India Company possess any advantage over the class of vessels used by the Americans or the free-traders of this country for the China trade?—I understand that the large class of ships are subject to less expense with reference to the port-duties paid at Canton; but in every other point of view, as far as regards the employment of merchantmen, I should say the smaller class ship is better adapted for many reasons. A small class ship of an inferior description would, in proceeding to the port of Calcutta, take in her cargo at once; a large ship takes in her cargo at Saugur, which is a very considerable way down the river; it is in fact the entrance to the river Hooghley. The consequence of that is, that a great expense is incurred in lading those ships, and at different periods of the year the tide is so rapid that it creates considerable delay as well as expense. The delay in a large ship like that might possibly extend to fifteen days if a boat came down one day too late, for unless she went out on a spring-tide she could not get out until the next spring-tide.

4639. Do you know the port of Canton?—No.

4640. Do you know whether those observations which apply to the river Hooghley apply to the port of Canton?—They must apply to every large ship which cannot go up to the port

6 May 1830.

Captain *W. Maxfield.*

to which she is proceeding for a cargo. If the communication must be made by means of boats, an increased expense must be the consequence; and I suppose it applies partially at Canton, and to all ports situate in rivers.

4641. Do you conceive the East-India Company's ships peculiarly fitted for carrying troops?—A large ship is certainly much better adapted for carrying troops than a smaller ship.

4642. Are not the troops sent out from this country usually accommodated in the orlop deck?—I have heard so.

4643. Have you ever heard of the Company's ships being employed as men-of-war?—I have heard that there have been some of them armed occasionally.

4644. What class of man-of-war of an enemy should you think a Company's China ship of 1300 tons burthen, with 30 guns and 130 men, would be a match for?—It would be difficult to say what she would be a match for. I conceive a ship of 1300 tons, with 130 men, scarcely sufficient men to manage her in action; and if she had any number of guns on board, they may be considered inanimate pieces of iron, without a sufficient number of men to use them. But to say what she would fall a capture to would be merely matter of opinion; but that can be better ascertained by asking what vessels they have beaten off, and when they have been captured.

4645. Do you recollect the action between Admiral Linois and a fleet of East-Indiamen?—I recollect the action. I believe there were sixteen Indiamen of the largest description, with a a number of country ships. The French force consisted of an eighty-four-gun ship, two frigates, two sloops, and a brig; and I conclude that the judicious conduct of Commodore Dance, his firmness, his decision, and his good management, induced the French admiral to form an erroneous estimate of his actual force, which led to a result no less creditable to the British than disgraceful to the French. To judge of the severity of an action, one must look at the result of the killed and wounded. It is stated that the action lasted about forty-five minutes. Now, the killed and wounded on the side of the British is stated at one killed and one wounded; and the French admiral declared in his letter to General Daccain, that he sustained no loss whatever. An Indiaman is a very formidable-looking ship, and is often painted like a first-rate man-of-war; she would at any time be taken, at a considerable distance, for a sixty-four; consequently, if the French were not disposed to fight, they had very good reason for imagining that there were a few sixty-fours out of the sixteen, and they had, consequently, very good reason for running away.

4646. Have you ever known an Indiaman captured by a French privateer?—Yes, I have.

4647. Do you remember the name?—Yes, I recollect the capture of the Kent. 6 May 1830.

Captain W. Marfield.

4648. Where was she captured?—In the bay of Bengal.

4649. What was the size of the Kent?—I believe the Kent was an Indiaman of about 800 tons.

4650. How many guns had she?—About thirty guns; I believe she had between 100 and 200 troops on board.

4651. What was the Kent captured by?—By the Confiance.

4652. What was the size of her?—About 300 tons: I happened to be on board her after the peace of Amiens.

4653. Do you know the number of guns she carried?—About sixteen or eighteen guns.

4654. Do you remember any other capture of an Indiaman? —I cannot call to my recollection.

4655. Do you recollect the Triton?—Yes, I do; she was about the same size as the Kent.

4656. What was the Triton captured by?—By a pilot schooner; which pilot schooner was taken by Monsieur Surcouef and a few French prisoners who escaped from Fort William, went down the river in a budgerow, and seized a pilot schooner at the entrance of the river; they then ran out to sea, and falling in with the Triton, I believe off Ganjam, they boarded her, under pretence of piloting her, and made her their prize.

4657. When did that happen?—I do not remember; but I believe the commander and officers of the Kent behaved as bravely, and defended the ship as long as in their power. I never heard the slightest slur thrown upon the conduct of any of the parties, and her capture possibly may be in some measure attributable to the peculiar structure of Indiamen, which carry, very injudiciously, most of their guns below; consequently, in the event of her being boarded, most of the men are below when they ought to be on deck. I think an Indiaman would be much more formidable if, instead of having thirty guns below, she had twenty on deck.

4658. Do you think the sea-risk of an Indiaman, equipped in the usual way, greater or less than that of a merchant-ship equipped in the ordinary way?—I believe at Lloyd's the insurance is precisely equal between a good ship marked A. and any of the East-India ships, therefore in that point of view the risk is considered equal; however, personally, I should say a merchant-ship laden is less safe encumbered with guns than if she was without them, as far as sea-worthiness goes.

4659. Do you ever remember an instance of a vessel being overset on that account?—Yes, I recollect one of the Company's ships of 800 tons, called the Devonshire, overset in my presence in the river Hooghley, in a regular north-wester.

4660. Do you attribute that loss to her having ports?—Yes;

6 May 1830.

Captain W. Marjfield.

the north-wester threatened for two or three hours before it came on; the sky was completely blackened; she was taking in cargo, and all her ports were opened; when the north-wester took her she heeled over; before they could shut her ports she filled and went down, and she remained with her mast-heads only above water.

4661. Do you remember any ships being lost in the years 1807 and 1808 between the Cape of Good Hope and the Isle of France?—Yes, I recollect it as a matter of history.

4662. Do you consider that they are more liable to that danger from their having ports and guns than if they had none?—I have stated that as my opinion with respect to merchant ships generally; but perhaps that fact, with respect to this fleet, would be best ascertained by inquiring whether there were not some country ships in company. I have heard that there were some country ships in company, and that none of them were lost.

4663. Do you consider the East-India Company's present mode of chartering ships as the most economical that can be adopted?—Certainly not.

4664. Will you explain the reasons why you are of that opinion?—I think if reference be had to some papers laid before the Court of Proprietors in 1826, a list of which I have here, a list of the shipping will be found which were employed at that time. Some of them have been taken up as high as 26 odd pounds a ton, and subject to an additional £1. 10*s.* if sent to any intermediate port in India. Now looking at that very list laid before the Court of Proprietors, I find that ships may be had at a much lower rate, and that they have been had by the East-India Company for a single voyage for £12. 5*s.*

4665. Are the tenders for the Company's ships publicly advertised for?—I believe they are publicly advertised for.

4666. Do you conceive that is the cheapest mode of getting ships furnished to the Company?—I should, provided the advertisements embraced that class of shipping which is to be had in the greatest abundance in the shipping market; but if the advertisement describes ships of which it is well known there are very few, or perhaps none to be had, I conceive the advertisement goes rather to meet the ship than the ship the advertisement. To illustrate the fact, I would put a case hypothetically; suppose the Company advertise for a ship to be built in the Island of Penang, of teak, to bring home a cargo, and at such a date, I put it to the Committee to judge whether there would be likely to be any competition to meet such an advertisement.

4667. Have you made any calculation of the amount which might be saved by a different mode of contracting than now pursued?—Yes; I have a calculation, the result of which exhibits the saving that might be effected; if the ships engaged by the East-India Company, instead of being taken up for six voyages

and for three voyages, had been engaged for one voyage, at the rate exhibited in the statement laid by the Company before the Court of Proprietors, a saving might be effected per voyage, imagining the whole of the ships to have performed one voyage complete, of no less than £574,028; but if, instead of taking them up for one voyage, at £13. 6*s*., which is the average of the single voyage ships, they had been obtained at what I conceive they might be, at 10 guineas or £10 per ton, a saving then would have been effected of upwards of £857,823.

4668. What time would the voyage occupy?—Looking at the distance they have to go, and what a free trader could do, and of course whatever a free trader could do the Company's ships ought to be able to do, they ought to do it in twelve months; but if the East-India Company have generally engaged, as I conceive they have done, a great deal more tonnage than they actually require, of course the expense must be commensurate.

4669. Should you say that, in the present mode of management, there is £700,000 or £800,000 thrown away by the Company in their charge for shipping per annum?—No, I have taken the whole of the Company's tonnage employed at the time the papers were laid before the Court of Proprietors; it includes forty-seven ships then chartered, and they had seven ships of their own. Those two bodies of shipping taken together collectively amounted to 64,000 tons; therefore I have taken the whole of that quantum of tonnage, and said, if the tonnage costs such a sum before they have completed one voyage, and they could procure shipping in the market to do it at £10. 10*s*., the saving upon that quantity of tonnage will be the amount I have stated.

4670. You have stated, that if the voyage performed by the East-India Company were performed by a free trader, it would be performed in one year out and home?—Unquestionably. But if she had to go to Bombay and be detained, and then to go to Madras, as the Company's ships frequently do, there is no saying what will be the length of the voyage. But they do not do it free of expense, because they frequently pay demurrage for such detention.

4671. What is the average time occupied by the Company in this voyage?—That is a question not easily answered, unless you particularize some particular ship. I have known some of the Company's ships cruising from one side of India to another for a cargo. I have known the Carmarthen and the Herculeum, ships taken up in war time at an enormous rate. I made a voyage out to sea cruising, and came in again, and found the Carmarthen still lying at anchor.

4672. Do you know the longest time occupied by a Company's ship in performing the voyage out and home?—I cannot positively speak to that fact, but I suppose some of them make the voyage in fourteen months.

6 May 1830.

Captain W. Maxfield.

4673. Do you think that is about the average?—No, it is impossible to average them, because many causes may operate to their detention.

4674. Are such causes of very long detention very frequent? —I do not imagine that such very long detentions are very frequent; but I imagine that it may be clearly known that a considerable detention occurs, by the papers at the India-House. But I would not press so much upon the delay of the voyage, as upon the ship being sent often half-laden, because the ships that go from Bombay to China are not above half-laden on the Company's account, therefore the remainder of that freight is a dead loss. Perhaps, to illustrate the high price of ships, I need only state that His Majesty has been building in the Company's dock-yard at Bombay seventy-fours, at per ton much less than the freight per ton of the 1200-ton ships in war time; and he has built frigates at a lower rate than some of the ships now taken by the East-India Company sail per ton.

4675. At what rate have they built frigates at Bombay?— The Trincomalee frigate, of 1065 tons, was built for £29. 8*s*. 2*d*. per ton; these are built of teak. The Cornwallis, seventy-four, of 1809 tons, was built at £30. 14*s*. a ton; the Victor, of 382 tons, was built at £23. 9*s*. 7*d*. a ton; the Zebra, of 385 tons, was built at £24*s*. 6*s*. 7*d*. a ton; the Sphinx, of 239 tons, was built at £24. 6*s*. 6*d*. a ton; the Camden, of 240 tons, was built at £25. 3*s*. 10*d*. a ton.

4676. You have compared the price per ton at which the Government build ships in the Company's dock-yard with the rate of freight per ton at which the Company take up their ships; for what purpose do you make that comparison?—It strikes one as a singular fact, that you could build a ship for a great deal less money, by one-third, than you could hire one; and I believe the price of the seventy-fours built at Bombay now to be enormous, from the injudicious manner of getting the timber. I could suggest a mode by which the price of timber would be reduced one-half.

4677. Do the Company ever build at all for commercial purposes?—Yes; the Company have seven ships of their own.

4678. Can you compare the expense at which those ships were built by the Company with the expense of the ships built by the Government at Bombay?—I cannot speak to the rate at which they build their commercial ships, but I can pronounce upon what it cost to build some of their pilot schooners at Bombay; I must speak to that from recollection. I recollect, just before I left Bengal, some pilot schooners were built for the Company's service, which appeared to be at such an enormous expense that it led the Marine Board there to animadvert upon the charge; and the papers happened to come to the office one day when I was there, and I took them up, and on going into the papers, at the request of a gentleman present, I found that

those schooners cost upwards of £50 a ton, while the King was building for £30. It appeared very monstrous, and it induced the Board to write to the Bengal Government, who wrote for an explanation. The explanation sent round by Mr. Meriton, the Superintendent of Bombay, stated that those vessels were so expensive in consequence of being entirely fastened with copper; that the former pilot schooners, of which a calculation had been submitted, previously built for the Bengal Government in Mr. Dundas's time, had been fastened with iron; but it was singular enough, on analyzing the account, it turned out that there was more iron employed in the copper-fastened vessels than there was in those that were built all of iron.

4679. Was that ever explained?—No, I believe there was never any satisfactory explanation given after that.

4680. Is this all matter of recollection, or matter of record?—It is matter of recollection now; but it is deeply impressed on my mind, because I happened to have the papers in my hand, and I recollect the correspondence between the Marine Board at Calcutta and the Government of Bombay upon the subject.

4681. On comparing the expense of the ships engaged in the private trade with the ships engaged in the China trade by the Company, are you aware that the size and the equipment of those ships employed in the Company's service are regulated by law?—No, I am not aware of that fact. By the 58th George III., I see the Act of the 39th and the 50th and the 51st are repealed, and since that it has not been imperative to equip those ships in that manner.

4682. Are you not aware that since that a very great change has been produced in the Company's commercial marine?—I am not aware of that.

4683. When did the repeal take place?—In 1818.

4684. In what year was this transaction?—I think it must have been about 1820 or 1821 that the correspondence respecting pilot schooners took place.

4685. In speaking of the ships which the Company were employing in the year 1826, do you mean to compare them with the ships taken up for single voyages in the year 1830?—I beg to submit to the Committee a statement of all the ships employed by the East-India Company in the year 1826, describing the name, the size of the ship, the rate at which she is taken, and all the particulars. It is from those ships I formed that statement. It is by calculation between the high-freighted ships and the low-freighted ones, in that statement furnished by the India House to me, that I have drawn the comparison, but I have not lost sight of their own ships, seven in number, which are sailing at the rate of about £27 a ton.

[*The witness delivered in the statement, which was read, as follows:*]

6 May 1830

Captain W. Mayfield.

No. 1.—A STATEMENT exhibiting the Names, Number, and Tonnage of all Ships now (27th January 1826) Chartered by the East-India Company, of every description, the Rates of Tonnage and Number of Voyages for which they are engaged; as also, the Names of the Owners of such Ships, and the Time or Date when they were engaged.

SHIPS' NAMES.	Tonnage.	Rates of Tonnage. £.	s.	d.	Number of Voyages.	OWNERS.	Time or Date when eng ged.
Herefordshire	1200	21	18	9	6	John Locke	1811, Jan. 11.
Vansittart	1200	20	18	9	6	Joseph Hare	— July 10.
General Kyd	1200	23	6	9	6	James Walker	—
Minerva	976	22	2	10	6	George Palmer	1812, Sept. 2.
Thomas Coutts	1334 (a)	26	0	0	6	Stewart Marjoribanks	1816, March 29.
Duke of York	1327 (a)	26	10	0	6	Stewart Marjoribanks	—
Orwell	1335 (a)	26	9	6	6	Matthew Isacke	—
Dunira	1325 (a)	26	9	0	6	George Palmer	— June 5.
Windsor	1332 (a)	26	5	0	6	George Clay	— Dec. 24.
Kellie Castle	1332 (a)	26	4	0	6	Stewart Erskine	1817, March 18.
Royal George	1333 (a)	25	13	0	6	John Fam Timins	1818, Oct. 14.
Repulse	1334 (a)	25	14	0	6	John Fam Timins	—
Farquharson	1326 (a)	25	15	0	6	John Christ. Lochner	—
Thames	1330 (a)	25	17	0	6	Henry Blanshard	—
Macqueen	1333 (a)	25	7	0	6	John Campbell	1819, Sept. 15.
William Fairlie	1348 (a)	25	7	0	6	Joseph Hare	—
Sir David Scott	1342 (a)	25	7	6	6	Joseph Hare	—
Berwickshire	1332 (a)	25	9	9	6	Stewart Marjoribanks	—
Hythe	1333 (a)	25	9	0	6	Stewart Marjoribanks	—
Duchess of Athol	1330 (a)	25	10	6	6	W. E. Ferrers	—
Bombay	1242 (a)	20	19	0	3	Henry Templer	1822, Nov. 13.
Charles Grant	1246 (a)	20	12	0	3	William Moffat	—
Lowther Castle	1427 (a)	20	12	6	3	John Crosthwait	—
Abercrombie Robinson	1331 (a)	21	0	0	6	Henry Bonham	1823, July 2.

Continued.

6 May 1830.

Captain W. Maxfield.

No. 1. (*Continued.*)—A Statement exhibiting the Names, Number, and Tonnage of Ships, &c.

SHIPS' NAMES.	Tonnage.	Rates of Tonnage. £.	s.	d.	Number of Voyages.	OWNERS.	Time or Date when engaged.
Edinburgh	1326 (a)	21	0	0	6	Henry Bonham	1823, July 2.
Lord Lowther	1332 (a)	21	7	0	6	Henry Blanshard	—
Rosa	955 (a)	19	14	0	3	Thomas Milroy	—
Prince Regent	953 (a)	19	17	6	3	Henry Bonham	—
Asia	958 (a)	19	17	6	3	Henry Bonham	—
Marchioness of Ely	952 (a)	19	19	0	3	Octavius Wigram	—
Marquis of Huntly	1279 (a)	18	18	0	3	John M'Taggart	— Sept. 3.
Inglis	1298 (a)	18	5	0	3	Richard Borradaile	1824, Aug. 13.
Atlas	1267 (a)	18	5	0	3	Charles Otway Mayne	—
Bridgewater	1276 (a)	18	4	0	3	James Sims	—
Warren Hastings	1276 (a)	15	7	0	1	William Sims	—
Princess Charlotte of Wales	978 (a)	19	2	0	3	Charles B. Gribble	— Sept. 8.
Marquis Wellington	961 (a)	19	4	0	3	Henry Bonham	—
Warren Hastings	1000 (a)	18	5	0	2	John L. Minet	—
Coldstream	733	12	5	0	1	John Dawson	1825, March 30.
Guildford	533	12	19	0	1	James Mangles	—
Albion	479	12	19	0	1	Charles Weller	—
Childe Harold	463	12	19	6	1	Robert Granger	—
Bussorah Merchant	510	4	10	0	These ships were engaged outwards for the voyage to Bengal ...	Charles Stewart	—
Malcolm	605	5	19	0		R. W. Eyles	—
Lord Hungerford	708	7	0	0		J. L. Heathorn	—
Berwick	453	7	0	0		James Greig	—
Commodore Hayes	678	7	18	0		George F. Young	—
Broxbornebury	720	5	3	0		Alfred Chapman	—
Java	1175	6	2	6		Joseph Hare	—

Continued.

6 May 1830.

Captain W. Maxfield.

No. 1. (*Continued.*)—A Statement exhibiting the Names, Number, and Tonnage of Ships, &c.

SHIPS' NAMES.	Tonnage.	Rates of Tonnage. £.	s.	d.	Number of Voyages.	OWNERS.	Time or Date when engaged.
Cambridge	802	4	10	0	These ships were engaged for the voyage outwards to Bombay	George Palmer	1825, March 30.
Lady Kennaway	547	5	0	0		George Joad	—
James Sibbald	666	6	9	0		Henry Blanshard	—
Maitland	634	6	17	6		Fraser, Living, and Co.	—
Orient	596	14	7	0	For one voyage to China and Quebec	S. Marjoribanks and Co.	— May 4.
Roxburgh Castle	599	14	9	0		Wigram and Green	—
Countess of Harcourt	517	15	0	0	For one voyage to China and Halifax	Henry Blanshard	—
Java	1175	10	18	0	To bring cargoes from China, after performing the service for which they were engaged, March 30.	Joseph Hare	— May 25.
Broxbornebury	720	11	8	0		Alfred Chapman	—
Marquis Hastings	452	10	19	0	To bring cargoes from China	George Lyall	—
Henry Porcher	500	10	19	0		S. Marjoribanks and Co.	—
In room of the Kent	1300 (a)	21	0	0	6	S. Marjoribanks and Co.	— June 22.
Clyde	451	6	19	6	To carry cargoes to Bengal	Joseph Hare	— July 15.
Eliza	511	6	15	0		W. Abercrombie	—
Marquis Camden	1286 (a)	18	18	0	3	Thomas Larkins	— Aug. 17.
Lady Melville	1257 (a)	18	19	0	3	Octavius Wigram	—
Castle Huntly	1311 (a)	18	19	6	3	J. H. Gledstanes	—
General Harris	1280 (a)	18	19	0	3	James Sims	— Aug. 24.

The ships marked thus (*a*) are entitled to an extra freight of £1. 10*s*. per ton, if sent to the Island of Bombay, or to the Continent of India, and from either of those places to China.

January 17th, 1826.

No. 2. 6 May 1830.

Captain W. Marfield.

In January 1826, it appeared by papers laid before the Court of Proprietors that the East-India Company had then engaged in their trade forty-seven ships, *viz.* twenty-four for six voyages, some of which were hired as high as £26. 10*s.* per ton; others for three voyages; and only five for one voyage; the average rate of freight on such five single-voyage ships was only £13. 6*s.* per ton each.

	£.	s.	d.
Now the chartered ships above mentioned, forty-seven in number, collectively amount to about 55,601 tons, and the rate of freight above stated cost the Company per voyage, exclusive of demurrage...........................	1,187,778	0	0
The Company have also seven ships of their own, amounting to about 8,897 tons, and which, by the accounts submitted in 1826, average, taking them altogether for the voyage they have performed, about £27. 8*s.* 8*d.* per ton, making the amount of expense per voyage on the seven of ...	244,074	0	0
Or the total charge for freight per voyage........	1,431,852	0	0
It is therefore evident that if the Company, instead of engaging ships as above, for six and three voyages, had hired ships for one voyage at £13. 6*s.* per ton, the amount charged for 64,498 tons of shipping would have been only	857,823	8	0
Effecting a saving per voyage of no less than...	£574,028	12	0

If, however, the Company were desirous to conduct their commerce with India and China in the most profitable manner, they would employ such class of ships as the British market offers in abundance, and their tonnage might be all obtained at £10, or probably £10. 10*s.* per ton, by which means a saving in their charges for tonnage per voyage might be effected to the amount of £750,000 sterling.

The Company, however, by reference to the papers at the India House, showing how the ships engaged by them are laden, appear little disposed to economize in this branch of expense, as those ships, except on the return-voyage from China, are seldom more than two-thirds laden on the Company's account.

4686. Did you mean to say, in a previous part of your evidence, that the amount of £500,000 might be saved between the average rates of the ships in the service of the Company in the year 1826, and what might be now supplied if competition in the market was made use of?—Not quite so; my statement is to draw a comparison of what the Company have done themselves with respect to five ships taken up for single voyages, which ships they got at £13. 6*s.* per ton, and I say that suppose they had taken them all up in that way, such would have been the saving; but my last statement goes to illustrate what might have been done if they had been had at £10, which I consider a sort of market freight.

6 May 1830.

Captain W. Maxfield.

4687. Are you not aware that the Company were obliged by the last Act to take up ships for six voyages?—I am aware that there is an Act of Parliament which enjoins, that ships taken up for the trade with India and China shall be taken up for six voyages; but I am also aware that there is an Act which permits the East-India Company to take ships up for one voyage to China; those are the ships that I propose to have taken up.

4688. Did you mean to state that in the year 1826 the Company did take a certain number of ships at £13. 10s. per ton?—There are no ships taken up in that statement in 1826, the last is in August 1825. Here are some ships taken up at £10. 19s. to proceed to North America; but I imagine they might be had as well for one purpose as the other.

4689. Are you aware that the East-India Company has, during the currency of their present charter, taken up a number of ships for six voyages, at from £21 to £26 per ton, and that, per voyage, a good free-trader might be had from £8 to £10 per ton in the same year?—Of course my answer is but matter of opinion. I cannot decide upon what a free-trader might possibly be had for; but it is pretty notorious: and I should only say, if I had a free-trader to employ myself, I should be very much obliged to the Company to take her for six voyages instead of one, and therefore I should think that is in favour of the six-voyage ship.

4690. It appears by that statement, that the rate of freight at which the Company take up ships for six voyages is higher than that at which they take them up for one voyage?—Unquestionably.

4691. What is the reason of that difference?—I consider it is because there is less competition. There is very little competition in 1200 or 1300-ton ships; there is nobody but the owner of a China ship hardly that can think of tendering, there is nobody else in the market; therefore the competition is confined to a few dozen individuals, and I believe few persons ever build a 1200-ton ship unless they have very good reason to think they have interest enough to get her employed. But, however, to illustrate why the Company have those ships, it will be necessary to go a little farther back into the Company's history. In looking back to the history of the East-India Company, and the style of equipment which seems to have been followed up to the present hour, the reasons which induced such equipment having long since subsided, it may be worth while to remark, that when the ships were first fitted out, and armed with guns and a large proportion of men, the India seas were infested with freebooters and pirates, formidable, and of course their commerce was in danger without such equipment; and at that time, in the early part of the Company's history, the ships fitted out by the East-India Company were in all respects formidable as

men-of-war. His Majesty's ships were much less efficient than they are at present, and the difference was not so great then between East-Indiamen and men-of-war. 6 May 1830. Captain W. Maxfield.

4692. Now the Company take up a different class of ships for single voyages?—Yes, they do.

4693. Is there any distinction between the Act as to the class of ships which they are permitted to take up for six voyages?—I cannot speak as to the precise terms of the Act; but I should imagine that the legislature have no motive in circumscribing the conduct of the Company in the management of their commerce, and that any Acts which have been framed for the government of the Company in taking up their ships have been most likely from the petition of the East-India Company, and that they have in fact framed the Act themselves.

4694. Can you give any reason for the difference of the class of ships which the Company take up for their single voyages?—I am not positively aware of it; I believe the East-India Company prefer large ships from many considerations; they may perhaps consider them more available for other purposes.

4695. It appears, by reference to the Minutes of Evidence taken before the Lords in the year 1821, that it was then stated by Mr. Grant that there were tenders to the East-India Company for forty-eight ships, of the aggregate burthen of 24,350 tons, the highest rate of freight not exceeding £12. 10*s*., the lowest not more than £7; the whole making an average together not exceeding £9. 16*s*. 10*d*. per ton; that the Company obtained the tonnage they required from the quantity offered upon that occasion at the average rate of £8. 4*s*. 8*d*. per ton; do you know what the Company were paying in the year 1821 for ships that were chartered by themselves?—I do not see any ship taken up in 1821; but here is one in 1822, the Bombay; and here is one in September 1819, the Duchess of Athol, 1330 tons, £25. 10*s*.; then here is the Hythe, 1333, taken up about the same time, £25. 9*s*.

4696. Does not part of those high charges arise from the expensive equipment of those ships?—Possibly part of them may arise from that; they are certainly equipped in a superior manner to what ordinary merchantmen are.

4697. Do you see any necessity for that extra equipment?—I should imagine, in a commercial point of view, the question resolves itself into what the underwriters consider to be desirable or not desirable; because if they will insure your ship and cargo at the same rate as the other ship, which is taken up less expensively, you gain nothing as a merchant; if they will not estimate the Company's ships any safer for this additional equipment, there will be no gain in the more expensive equipment.

4698. Is it the fact that the underwriters estimate them both at the same rate?—They do.

6 May 1830

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Captain W. Maxfield.

4699. Do you attribute the higher rate of freight at which the Company take up ships for six voyages to the absence of competition?—Mainly.

4700. Is there more competition in cases in which they take up ships for a single voyage?—Undoubtedly.

4701. How is that accounted for?—The ships taken up for single voyages are all of an inferior size.

4702. Then it is not worth a shipbuilder's while to undertake the building of the class of ship which the Company take up for six voyages, unless he is pretty certain of employment for it?—I should imagine they never build one without the intention of their being engaged in the Company's service; I believe they are all built expressly for the service.

4703. Are you not aware that when advertisements are thrown out for tenders for ships to be built for the service, there are always a great many more offered than are required?—I am not aware of the fact.

4704. How then can you state that there is no competition?—It may be the case in some instances, that when advertisements are thrown out there may be some competition; but in the hypothetical case I have put of a ship built at Penang, there could be no competition, and that case was founded on fact.

4705. The question refers to ships built in England; do you, or do you not, know that upon advertisements being thrown out for the hire of ships for six voyages to be built, there are always ten offers for one ship required?—I am not, of course, aware of the number of tenders, because it could not have come within my observation.

4706. How can you state that there is no competition in ships of this nature?—I believe my statement has gone as to ships in existence, not as to building.

4707. Are the contracts for ships for six voyages always contracts for ships to be built?—Of course. In answering the question I only speak from hearsay, but I believe they are often made for ships partially built or building.

4708. Are you acquainted with the Act of 58 Geo. III. c. 83, upon the subject of shipping?—I am cursorily.

4709. Are you aware that the Act prescribes regulations for the advertisement for tenders for hiring ships, and also that it prescribes that ships shall be taken up for not less than six voyages, except in cases of unforeseen exigency, in which case the Company may take them up for one voyage only?—Yes, I am aware of that Act.

4710. Do not the answers you have given respecting the cheaper mode of the East-India Company obtaining freight contemplate the doing away with the Act of Parliament?—Un-

doubtedly; I consider the Act of Parliament as obtained at the request of the East-India Company, probably upon petition to the House of Commons. 6 May 1830.

Captain W. Maxfield.

4711. Upon what ground do you consider that?—Because I consider it a question in which the state have little interest besides that of enabling the Company to trade to the best advantage. I consider the interests of this country are implicated in the best management of the East-India Company.

4712. You have stated that the East-India Company engage more freight than their employment requires, upon what ground have you made that statement?—In referring to the paper laid before the Court of Proprietors, I see the quantum of cargo put on board, and my own personal experience informs me that the ships formerly, which sailed for Bombay on a voyage to China, were only half-laden on the Company's account; therefore I presume there was more tonnage than they required.

4713. Might it not be the case, that though the voyage from Bombay to China might not have required all the tonnage that was engaged, yet that the Company required the whole tonnage home from China?—It might be so; but I conceive if a ship is to lose a number of tons of cargo, say one-third of her whole tonnage, by such management, it would be economy to let her go away with her whole cargo to make two returns to China; but to meet the contingency the agents of the East-India Company might have let the tonnage from Bombay to China; they need not have lost by it as merchants.

4714. Are you not aware that the tonnage which the Company do not require is let to captains and officers?—I am not aware that it was done during the time I was in India; if it is let, it has been let since the period to which I advert.

4715. Do you conceive that the high rate per ton of the six-voyage ships arises from the small number of those ships in existence, and from the Company being in the hands of the ship-owners?—That certainly is very much my impression; and I believe if reference be had to the history of the East-India Company, it will be found that those ships were some of them owned by the Directors; that was found very objectionable, because it increased the expence of the ships.

4716. How long was that ago?—I cannot say.

4717. Are not some of the ships built and fitted out for the East-India Company owned by near relatives of the Directors? —Yes.

4718. Are not all the ships engaged by the Company taken up by public tender?—The Act enjoins that they shall be.

4719. Have you any reason to believe that the Act is violated?—No.

6 May 1830.

Captain W. Maxfield.

4720. Is it not a condition in the Act that the lowest offer shall be the one accepted?—I believe it is.

4721. Would, therefore, the circumstance of a relation of a Director being an offerer be a reason for rejecting the ship, supposing that was the cheapest tender?—I have not implied that it would be.

4722. Is it the fact that the rates paid by the Company are very considerably higher than the rates paid by the fair trader? —Immensely different.

4723. Do you mean to say that the freight of a ship, such as a 1200-ton ship, engaged for warfare and for commerce, is to be compared with the freight of a ship of 500 tons engaged for a single voyage to bring home cargo from India?—My calculation of the comparative saving is made on papers laid before the Court of Proprietors; and I should myself, if I had a ship, conceive myself most fortunate in having it engaged for six voyages certain, in the same manner that I should prefer letting a house for six years certain instead of one.

4724. Do you think a ship-owner would be a prudent man who should make an engagement for the six voyages at the present low rate of freight?—That is a question that would resolve itself into what the man contemplated he could do with his ship; however, I think the East-India Company would benefit considerably if they never took up ships for more than one voyage at a time, and if they trusted more to the market abroad for part of their return-freight if they could, because they might very frequently engage ships in India at a much lower rate.

4725. Are you not aware that the Company do engage ships in India to bring home part of their tonnage?—I am aware of it.

4726. Do you think it would be prudent to trust entirely to the chance of tonnage home?—Not entirely.

4727. Do you think that in case of war the supply of tea required for this country could be conveyed with as much safety and regularity in ordinary merchant ships as in the Company's ships, armed as at present?—Undoubtedly.

4728. Will you refer to the Act of the 58th Geo. III. c. 83, cl. 3; does not that clause empower the Directors to take up ships which have performed their contract for six voyages in the service of the Company for any number of voyages which the discretion of the Court of Directors shall think fit?—It does for a limited number of voyages, according to the discretion of the Court of Directors.

4729. Are you able to state whether there are many ships of that description?—No; I dare say there are some.

4730. Are they not, in point of fact, freighted at lower rates

than those engaged for six voyages?—I believe the ships engaged for the conveyance of tea to North America are some of that class.

6 May 1830.

Captain W. Maxfield.

4731. Do you not conceive that, in the event of a tender for a certain number of ships, the contractor might very naturally look to the prices which have been paid for the last few years in making his tender?—Yes, I should think so.

4732. Do you conceive that the limitation by law of the Company's dividend to 10½ per cent. per annum operates beneficially or otherwise in conducting their commerce?—I cannot imagine any benefit it confers; and I should rather be induced to believe that when you take away the motive to acquire any advantage, you remove half the inducement for economy.

4733. Were you with the late Sir Stamford Raffles when he formed the settlement at Sincapore in the year 1809?—I was.

4734. What number of inhabitants did you find at Sincapore when you first arrived?—They were principally fishermen; it was a small fishing village.

4735. How long did you continue at Sincapore?—I remained there several months, riding guard.

4736. How soon after the British fleet was erected did the new settlers begin to arrive?—Daily.

4737. Did the Chinese come there?—In great numbers.

4738. Had you considerable intercourse with the Chinese colonists?—Yes, constantly; I met with them in every island of the Eastern Archipelago.

4739. Did you consider them a commercial people?—Peculiarly so.

4740. Do you know any thing of the Chinese junks that navigate those seas?—Yes; I captured two Chinese junks in the Straits of Gaspar coming from Batavia, bound to Amoy; very large junks.

4741. Had they valuable cargoes on board?—Their cargoes were valued by papers we found on board at between £500 and £600 sterling.

4742. Was there any trade at Sincapore when you were first acquainted with it?—Nothing; except a trade in fish and some trifling trade of that sort.

4743. Have you ever perceived any injury to the various establishments of the East-India Company from the influence of their commercial transactions?—I certainly conceive their commercial transactions operate particularly to the injury at least of one of their establishments, and possibly of many others, but certainly to the injury of the Bombay marine.

4744. Were not the Company's military marine sometimes

6 May 1830.

Captain W. Maxfield.

put under the orders of their commercial marine?—Constantly, by the Court of Directors' orders.

4745. What was the object of that?—I cannot determine, except that the Court of Directors always exhibited a strong predilection to make their merchant-ships as warlike as possible, and their men-of-war as commercial as possible.

4746. Do you conceive the exorbitant freight paid by the Company to increase the territorial charges of India?—Undoubtedly.

4747. In what way?—Of course the military stores sent out to India for the different establishments, the tonnage of which is very considerable, and which comes under the head of political tonnage, if charged at the rate paid to their ships, instead of the rate at which it might be sent out, augments the expence in the ratio of the freights, and it increases the territorial charges in no small degree.

4748. Do you conceive that the opening of the free trade has been beneficial to India, or the reverse?—Undoubtedly beneficial.

Lunæ, 10° *die Maij* 1830.

Mr. WILLIAM WALFORD called in, and examined.

10 May 1830.

Mr. W. Walford.

4749. You have been an agent for the manufacturers of long ells?—I have.

4750. Have you been engaged long in that business?—All my life.

4751. And your family before you?—And my father and grandfather before me.

4752. Have you been in the habit of selling long ells to the East-India Company?—I have.

4753. And also to the American traders and their agents?—Yes.

4754. What has been the practice of the Americans in purchasing long ells; have they been in the habit of purchasing those which have been rejected by the Company?—I have frequently sold them the rejected goods of the Company.

4755. Do you know why the Company reject those goods?—They have been rejected from various causes; as being light, as being of an inferior quality, narrow sometimes.

4756. Have the Americans paid you a lower price for the articles in consequence of their inferiority?—They have paid a lower price for them.

4757. Does the inferiority of price bear reference to the com-

parative inferiority of quality?—Yes, always bearing that proportion.

4758. Have any other goods been made within your knowledge purposely for the American trade?—I know that I have had goods made, and I know that others have had goods made lighter for them.

4759. Then the Committee is to understand, that the Americans have goods made of an inferior quality than those which the Company export?—To my knowledge they have purchased goods which were made lighter; I do not know that they were made lighter expressly for them, but they were made lighter, and they purchased them.

4760. Was not the Company in the habit formerly of purchasing a superior quality at the price of 50*s.* a piece?—Yes; for many years together they used to purchase a quality called supers, almost the fabric of kerseymere, and they paid a proportion of 35 per cent. higher for them.

4761. Do you know for what cause that has been discontinued? —No, I never heard.

4762. Are you able to state whether the Company was in the habit of purchasing three descriptions of quality, distinguished by a striped, green, and red heading or ferrill, each differing 2*s.* in price the one from the other; the striped being the finest, and the red the lowest quality?—Yes.

4763. Do you know that they now have ceased to send those various sorts, but have entirely confined their purchases to the green heading, the middling quality?—Entirely.

4764. What has been the description principally purchased by the Americans?—They have been distinguished by their green heading, considering that they bought the same quality; the inferior goods which they have purchased have had the same heading.

4765. Are you aware that the Company have made various experiments to purchase other articles, some at a higher price and some at a lower, with a view to push the manufactures of this country into China?—I have known them to make several experiments of that nature. I recollect their purchasing, for two or three years, long ells, costing about one-third less than those green headings; they bought for two or three years to the amount of about 20,000 long ells per annum, of that quality.

4766. As far as your information goes, have they discontinued it?—They have discontinued it, I know.

4767. Have the Company been endeavouring to supply themselves from Yorkshire within your knowledge?—I have known them make two experiments in purchasing long ells in Yorkshire: one year they contracted for 20,000 pieces; and I believe they did not find the contract completed.

10 May 1830.

Mr. W. Walford.

4768. Do you happen to know what was the reason of the failure?—I think the inspector said they did not consider them long ells; they were not a good imitation of the article.

4769. From your knowledge of the dealings of the Company, can you state whether it was the Company's practice to purchase by tender from agents, which latterly has been done by open competition among the manufacturers?—When they first commenced purchasing long ells, they purchased from the agents; the agents used to tender; there were three or four agents only at that time. For the last ten or fifteen years they have sent circulars once a quarter round to the manufacturers themselves; the manufacturers send, individually, answers to those tenders.

4770. Do you believe that any great combination exists among the large manufacturers?—I think that some of the large manufacturers, who possess mills and large capital, have an understanding one with the other; but I consider that is defeated by the numerous smaller ones, who are also tendering at the same time, and who have no connection or understanding with them, and who are opposed to them in fact.

4771. You think there is a sufficient and ample competition?—I think it impossible for a combination to exist among them.

4772. Are not the prices of long ells now very considerably lower than they were known to be before?—Certainly; people used to consider that the price of the green heading used to vary from 33*s.* to 35*s.* for ten to fifteen years together; the Company have lately purchased them between 18*s.* and 19*s.* a piece.

4773. What, in your opinion, is the effect of the Company's system of purchasing goods; do they pay dearer, or are they more cheaply supplied than private merchants by that mode of competition?—I should think they are supplied cheaper; I charge a less commission.

4774. Are not the purchasers always sure of their money from the Company?—Certainly; I charge two and a half per cent. guarantee with a private merchant, where a credit is given, which is not charged on goods sold to the Company; and I also charge a smaller commission on the Company's goods, because of the magnitude of the business.

4775. Have you any means of knowing whether the American merchants pay agent's or broker's commission for buying goods?—I have always understood that they do; I know, at first, some of them did employ agents.

4776. Has any attempt been made to introduce long ells into China through Russia?—I tried it myself once.

4777. Did it succeed?—No, it did not.

4778. Have you any reason to know the cause of the

failure?—The gentleman to whose care I entrusted them is now in England; and he said it was the immense distance over land that operated against it, and there was a fabric in Russia very similar to it, nearer the frontiers of China. 10 May 1830. Mr. W. Walford.

4779. Does the Russian tariff affect it in any way?—I should think it would. I was in conversation with this gentleman on Saturday, who had just received a new Russian tariff, in which there was a considerable augmentation of duties on British manufactures; and he stated that Prussian cloths were actually sent through Russia to China, and that the duties exacted upon them by the Russian government were very much lower than those upon British.

4780. You are aware that the Company have a strict examination of every article that they purchase?—I am perfectly aware of it.

4781. The effect of which is to establish a character for those exports, which, under the Company's mark, go all through China?—I have always been told that it was kept up with that view, that a bale of the Company's goods with their mark need not be opened.

4782. Have you been concerned in dyeing for the Company, and also for private merchants?—I was a partner in a dye-house in the neighbourhood of London, which was employed by the Company.

4783. Have you been in the habit of dyeing for the American traders?—I have.

4784. Do they always require the same quantity of dye, and the same attention to the article as the Company?—They were not so particular about the quality of the dye. In some colours they differed. In dyeing scarlets there is what is called a three-quarter scarlet, which is only three-fourths of the depth in colour of the other scarlet. They used to have that, and the price was proportionably lower; we used to charge them three-fourths of the price of the Company's scarlet. There is a great deal of difference in inspecting goods after they are dyed. In inspecting by private merchants, burls and other imperfections were passed over without any minute inspection, all which is done by the Company's inspectors, who are persons employed on purpose.

4785. Do you consider the best cloths to be the West-country cloths, or the Yorkshire manufacture?—It has been but of late years that the East-India Company have at all adopted the cloths made in Yorkshire, and which were made in imitation of the West-country cloths at first, and they are not considered, I believe, at this moment so good.

4786. Has the Company of late shown any disposition to buy cloths already dyed?—They have purchased cloths already dyed of the Yorkshire manufacturers.

10 May 1830.

Mr. W. Walford.

4787. Has the proportion rejected been considerable to the proportion received?—I believe the proportion of the rejections has been very large.

4788. Do you know what has become of the rejected cloths of the Company?—I believe they have always been sold at a lower price. I was offered 1,000 pieces last year by one manufacturer, which I refused.

4789. Is not the Company's practice generally to buy cloths in white?—It always used to be their plan.

4790. Are not imperfections in the article better perceived in white than after it has been dyed?—Decidedly; there are imperfections which the colours will hide, and which affect the quality of the cloth; it improves the appearance of the quality.

4791. Is the mode of dyeing not so good in Yorkshire as it is in London?—I do not think the Yorkshire dyeing so good as the London dyeing.

4792. Under the close inspection of the goods by the Company, have you ever found the Company severe and unreasonable in their examination, so as to bear hardly upon the manufacturers?—I do not think I ever did.

4793. Do you consider the Company are desirous of economy in the arrangement of their business?—I have always found them so as long as they could secure a superiority of the articles which they were shipping; they always appeared to direct their attention to economy.

4794. Have you any knowledge of the practice of dyeing long ells purple without cochineal?—I have. When it was first adopted by the Company, I had not at that time one of their shares of dyeing, but I offered to do the whole of their purple long ells in the season of 1806 without cochineal. I undertook at that time a contract for the dyeing of 30,000 long ells without cochineal; that was a saving of £15,000 to the Company on one season.

4795. Was it found to answer?—It has been continued ever since.

4796. Are you aware what quantity of lac has been imported from India in the last ten years?—The average importation of the last three or four years has been from 2,000 to 2,500 chests; before that it was larger.

4797. What has been the effect of this increased importation upon the price?—The price is very much lower than it was.

4798. What is the exportation annually?—I believe from 200 to 300 chests; there is some goes to France direct.

4799. Is not lac an article of export from the East-Indies?—It is a manufacture of the East-Indies.

4800. Where does the cochineal come from?—From South America.

4801. So that the effect has been to encourage an export from India?—The effect has been to exclude the use of cochineal in woollen dyeing throughout England. I recollect purchasing the first lac dye that came to the country; fifteen or twenty chests. 10 May 1830. Mr. W. Walford.

4802. Do you mean that it has effected an entire exclusion, or only partial?—I believe an entire exclusion. The India Company adopted it among the first, and it is used alone now in their manufactures.

4803. You stated you had a share in the Company's dyeing; will you explain what you mean by a share?—It was divided into thirty-six proportions or shares.

4804. In what way did you obtain that share of the Company's dyeing?—They appointed me to that share in the year after I contracted for that large quantity of purple.

4805. Was that by competition among all the dyers?—The other dyers refused to undertake those purples.

4806. Do you know in what way that dyeing was apportioned to the parties who took it; was there an advertisement and a tender?—There was a tender, but no advertisement; the apportionment of the business was made by the Company.

4807. In this case, was there any competition with respect to the dyeing of the cloths?—There was a tender.

4808. In what way were you apprized that there was a certain quantity of cloths to be dyed by the Company?—Because they dyed them annually.

4809. Is there an annual tender for the dyeing of cloths?—There is.

4810. In what way is that made public?—I believe it is by notice sent round from the Buying-office at the India-House to the different dyers.

4811. Is it sent to the dyers only that have a share of the Company's business?—It is sent to them only.

4812. When were you first appointed to a share?—In the year 1807.

4813. Do there still continue to be thirty-six dyeing-houses, among whom the business of the Company is apportioned?—No, I believe it is discontinued. I myself have discontinued it some years, in consequence of the falling off of quantity and the low prices.

4814. Is it not the fact, that dyeing is done much more cheaply in Yorkshire than in London?—It is difficult to say whether it is cheaper, for it is not so well done; the prices are lower, I believe.

4815. Can you state, for instance, what the price for dyeing woollens is in London?—I do not know; I have not turned my attention to it for the last four or five years.

10 May 1830.

Mr. W. Walford.

4816. You stated, that the long ells now purchased by the Company are at much lower prices than they used to be formerly; are the whole of the woollens purchased by the Company lower in price now than they used to be?—I should think they are.

4817. Are you aware that there has been a very considerable falling off in the export of woollens by the Company to China; for example, between 1810 and 1828?—I should think upon cloths there was not a falling off; upon long ells I should think there is.

4818. If the Parliamentary Returns state that in 1810 there were 237,103 pieces exported by the Company, and in 1828 only 123,317, you are not able to account for that difference?—The impression upon my mind was, that the quantity of cloth was rather increased, but that of long ells reduced: but I cannot explain the reason.

4819. You stated that the Americans buy a lighter description of long ells; do you not imagine that they find that more suited to the China market, and therefore export it?—I cannot say.

4820. Are you aware that the export of woollens by the Americans to China has considerably increased?—I should think it had not.

4821. Was the dyeing carried on at a higher or lower rate of profit than that which prevailed in other branches of commercial adventure at the period when you were engaged in it?—I gave it up, because it left little profit.

4822. Are the conditions of contract imposed by the Company so vexatious as to raise the price?—I never considered them vexatious; I always considered them as necessary to preserve the quality of the goods they exported.

4823. To what amount are their rejected cloths depreciated in price, if sold to merchants?—I was offered 1,000 pieces last year that had been rejected; and, as far as my recollection goes, they were offered at a reduction of about five per cent. from the contract price of the Company.

4824. Did you ever experience any inconvenience from having cloths that you had furnished to the Company rejected?—I have had them rejected.

4825. Do they not often reject them for being a little lighter? —They do.

4826. Is not it very difficult to act up to the exact letter of the Company's contract in a large order?—Not at all.

4827. You stated that you had supplied considerable quantities of long ells to the Americans; did you ever supply any to Messrs. Baring and Co.?—I do not recollect that ever I did; I may have sold them to their agent. I believe that when they

first went into the trade, they employed an agent to purchase for them.

10 May 1830.

Mr. W. Walford.

4828. Has it been your practice, when you have sold goods on American account, to pack those goods?—No, I never pack them

4829. Is it consistent with your knowledge what marks were put upon them?—No, I have lost sight of them after they were delivered from my warehouse.

4830. In cases where goods have been returned to you by the East-India Company, on what terms have you been able to part with them?—It depended entirely upon how inferior they were to the standard they ought to have been; it varies from five to ten per cent.; perhaps not more than ten per cent.

4831. Are the conditions imposed by the Company, upon a preparation of those goods under the contracts, such as to render the manufacture of them much more difficult than for a private merchant?—I should think not; I have known one manufacturer have 10,000 long ells looked over or inspected, and not more than four or five pieces rejected.

4832. In making a tender under those contracts of the Company, do you take into the account, in your calculation, the conditions they impose?—I am only the agent of the manufacturers, and they make the tenders; formerly the agents used to make the tenders, and we were never instructed by our manufacturers to make any allowance for that.

4833. As agents for those manufacturers, had you ever to answer the demands of private merchants?—Continually; it was part of my business.

4834. Was there any difference between the tenders you made to private merchants and those to the Company, in point of price?—There was no material difference. We would rather sell to the Company, and perhaps would sell cheaper to them than to private merchants, because we were more secure of our money; and because at a private merchant's, where credit is given, I charge two and a half per cent. for a guarantee.

4835. Then the conditions imposed by the Company, you conceive, have no effect in raising the price of the manufactures?—I never heard them complained of, till within these four or five years.

4836. Is it the custom of the trade to sell the rejected articles at their cost in the white state, supposing them to be dyed?—The practice of the Company, until within these last four or five years, has been to buy the whole of their goods in the white state; the purchasing in the dyed state has been only lately introduced by them. What sacrifice they might make on those dyed goods that were rejected, I do not know. I know

10 May 1830.

Mr. W. Walford.

that 1,000 cloths that were offered to me last year, were offered at a reduction of about five per cent.; they were dyed, and they were scarlets and purples, and the value of the dyeing constituted a great deal more than the five per cent.

4837. Are you aware that, with the exception of broad cloths, there is a falling off in every article of woollens in the year 1828, as compared with 1810?—I have no means of referring to dates; I am aware that the Company's export of long ells now is less than it was in former years.

4838. Are you aware that in some years the export of long ells on American account has increased?—I am not aware of that, nor do I think it has increased in the proportion in which the Company's has fallen off. I think that, last year, the American exports decreased.

Mr. WILLIAM IRELAND, called in, and examined.

Mr. W. Ireland.

4839. You are a partner in the house of William Ireland and Company?—I am.

4840. Where do you carry on your business?—In London in Aldermanbury, and in Gloucestershire at Chalford, near Stroud.

4841. What description of cloths do you and your partners chiefly manufacture?—Principally cloths adapted for the China market.

4842. What do you call them?—There are three descriptions; the first are Spanish stripes, the second supers, and the third worsters.

4843. What is the mode of supplying the East-India Company?—By contract.

4844. Is it under contract offered to your house only, or to the public?—To all the respectable manufacturers either in Yorkshire or Gloucestershire. I have a circular which I received from the Company for a contract, inviting tenders from all the manufacturers.

[*The witness produced the same.*]

4845. Is it sent to all the respectable manufacturers?—I never knew it refused to any respectable manufacturer who made an application for it.

4846. How long have you been in the habit of supplying cloths to the Company?—Eleven years in my own firm: but I was seven years with Messrs. Fryer and Telford.

4847. In this circular are there any clauses more or less objectionable in your opinion?—I do not apprehend there are; at least I have not had any complaint from my connections respecting the clauses.

4848. Particularly with reference to the 3d, 5th, 7th, 8th,

and 11th; do you apprehend they are essential to protect the Company from being imposed upon, and put to great inconveniences?—I think they are; the third clause respects the weight and length of the cloth.

4849. All of which is ascertained by overlookers appointed by the Company?—It is.

4850. Do you consider that they are judges of cloth?—I consider them very good judges of cloth.

4851. Do they ever reject without proper cause, in your opinion?—I think there is frequently cause for a great many more rejections than there are.

4852. In the event of a trifling difference in quality being found, is it the practice of the Company to take it, giving the turn to the manufacturer?—It has been the practice with me and my connections.

4853. In the event of any cloths being rejected by the Company, how have you disposed of them?—I think the first serious objections were in 1819 and 1820; they were Spanish stripes; and I disposed of them to Mr. Henry Hughes, who afterwards disposed of them to Mr. Everett for shipping through the Americans to China.

4854. Were they inferior in quality?—They were inferior in quality; and we sold them at a considerable loss.

4855. At what loss?—The contract price of the Company at that time was £13. 15*s.* per piece; and I sold the rejected cloths to Mr. Everett and Mr. Hughes at that period at £11. 14*s.*, which was £2. 1*s.* per piece loss upon them.

4856. Were those dyed cloths or white?—They were white. The Company always purchased in white then; it is only very recently they have purchased dyed cloths; the last year was the first season they have purchased the whole quantity of Spanish stripes dyed.

4857. When you were in the habit of offering goods to the Company, did the conditions of the contract impose upon you the necessity of putting an extra price upon the article?—I should conceive not; at all events, we never lay on an extra price for them. I always go down previous to the contract taking place, and consult with my partners, because we are guided entirely by the state of the wool market; I have never known that we have laid on any thing for extra risk, in consequence of the Company's conditions.

4858. Is not the mode of payment by the Company in ready money at a certain time after delivery?—We consider the Company's payment preferable to any other, because we can calculate to an hour on getting the money, provided we fulfil our part of the contract.

10 May 1830.

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Mr. W. Ireland.

4859. Do you find that those contracts in any way give you more trouble in selling to the Company than in selling to individuals?—I do not; in fact I had a very recent instance to the contrary, by the last fleet that went out to China; I had a great deal more difficulty in supplying 200 ends of cloth to an individual that shipped them for one of the captains, than I ever had even with the Company.

4860. Do you know whether the Company have increased or decreased their orders of late?—When I first commenced the business in 1819, the Company shipped 7,000 pieces, which is 14,000 ends; they used to buy them at that period in whole cloths, now they buy them in ends; they have increased their purchase of Spanish striped cloths to 24,000 ends; they first increased about the year 1824 to 10,000 pieces, and since that period they have increased to 12,000 pieces. There was also an increase of the supers at that period: there were 2,000 pieces of supers contracted for; there are now 3,000 contracted for, which go to China.

4861. All those articles have been supplied from Gloucestershire?—The greater part of those articles were supplied from Gloucestershire; some few from the Yorkshire manufactories, but very few.

4862. Has not this increase of the Company's exports been very beneficial to the labouring classes and the manufacturers? —I can only speak as to my own district. Had it not been for the Company's trade last winter, I am perfectly satisfied that some hundreds of our people must have starved, for the poor's rate would not have supported them at all. I am speaking of the parish of Bisley.

4863. Have you found the Company arbitrary in their dealings with you?—I have had no reason to complain of the Company. I find them just in their dealings; and I am satisfied that if we had not the restrictions in the circulars we have, the Company would be very much imposed upon.

4864. What restrictions do you mean?—I mean with respect to weight and length.

4865. You have stated that the ultimate disposition of the Company's rejected broad cloths was for the American market? —It was, some few years ago. About fifteen years ago, there was a demand for this description of cloths for pelisses; they were bought up by the job-houses, who supplied Cranbourn-alley and that neighbourhood; but recently that demand has been done away with, and better cloth is made use of.

4866. Is it within your knowledge that when the Company's circulars are issued, the manufacturers meet together to fix the price at which to tender?—Such a thing has been attempted some years ago, but the manufacturers are of such a jealous disposition that it is impossible for them ever to unite together;

and so particular are we, that I generally leave London on the night on which we make the tender, and I am closeted with my partners all the day. We never could combine together.

10 May 1830.

Mr. W. Ireland.

4867. Is it your opinion, that the Company buy under an open competition at the lowest possible price?—I am satisfied of it. I have been cut out of supplying many hundred pieces of 34 yards, by 1*d.* or 2*d.* per piece of cloth.

4868. You have stated that there has been an increase in the export on the part of the Company of Spanish stripes and supers; are you aware whether there has been a decrease or an increase in their export of other species of woollen goods?—I am not.

4869. Are you not aware that the quantity exported by the Company of long ells, camlets, and worleys, has considerably decreased during that period?—I am not.

4870. You reside in London?—I do.

4871. Can you state what number of the fine woollen manufacturers in Gloucestershire make tender to the East-India Company for their contracts?—A great many of them do. Messrs. Stanton and Sons tender regularly; Messrs. Macleans, of Stanley Mill, tender regularly.

4872. Do the parties that make these tenders to the East-India Company carry on an extensive business for other parties?—They do, very extensive. I should think Messrs. Stantons have the best business in fine cloths in the county of Gloucester.

4873. Can superfine or Spanish striped cloths be dyed in Gloucestershire at as low a price as they can in London?—Lower, I conceive.

4874. Do you know whether they can dye as cheap in Gloucestershire as they can in Yorkshire?—I think quite as cheap, because the Yorkshire people competed with us, and we have beaten them out of the market. The last contract they did not get a single yard of it; and one of the principal Yorkshire contractors, whom I met this morning, told me that he should not compete at all the next contract.

4875. In answer to question 2966, Mr. Dixon stated that the London price for dyed Spanish striped cloths, purple, is 2*s.* 4*d.* per yard, and in Yorkshire 1*s.* 6*d.*; can you inform the Committee whether to your knowledge that statement is correct or no?—I cannot; but I can state what the public dyers in Gloucestershire charge for dyeing Spanish striped cloths purple; their price is 44*s.* for dyeing a piece of purple of 34 yards, less five per cent., which reduces it to 42*s.*; and it appears by Mr. Dixon's evidence that the Yorkshire price is 51*s.*

4876. Will you look at the statement in Mr. Dixon's evidence in page 310; should you have any objection to make out a statement like that of your prices?—I have no objection to give the public dyers' prices in Gloucestershire, but I could not give

10 May 1830.

Mr. W. Ireland.

you my own, because it is blended with the state of the manufacture. I believe we are the only house that dye the whole of our colours, and finish the whole of our cloth upon our own premises; for when I found that the Company had altered their system, I went down and engaged a London dyer to reside there for the purpose of dyeing.

4877. Is every cloth you supply the Company with dyed?—It is.

4878. Upon what occasion was it you took that step?—When the Company commenced buying all their cloths dyed and finished.

4879. Are you speaking of cloth that is dyed in the wool or dyed in the piece?—I am speaking of cloth that is dyed in the piece.

4880. Will you look at the statement given by Mr. Dixon, of the Yorkshire prices, and make any observation which occurs to you respecting it?—In the first place, I observe that the first colour mentioned here is higher by 9*s.* a piece than the Gloucestershire price. For the black also, we pay 6*s.* a piece for dyeing blacks, and I see the Yorkshire price is 11*s.* 4*d.*

4881. Are you aware of the fact that the woollen trade is to a certain degree leaving Gloucestershire, and going to Yorkshire?—Some of the fine trade is, but a portion of it has come back again. With respect to the scarlet, the Gloucestershire price is 37*s.*, and I find that the Yorkshire price is 48*s.* 2*d.*

4882. Will you prepare a statement of the Gloucestershire prices of dyeing, for the information of the Committee, similar to that furnished by Mr. Dixon of the Yorkshire prices?—I will.

[*The witness delivered in the following papers, which were read, as follows:*]

A STATEMENT of Prices for Dyeing 100 Pieces of Spanish Stripe Cloths, of thirty-four yards each, in Gloucestershire, with the Proportions of each Colour shipped by the East-India Company, by the Gloucestershire Dyers.

		£.	s.	d.		£.	s.	d.
28	Purple .... at	2	4	0	each	61	12	0
25	Black	0	6	0		7	10	0
15	Scarlet (Lac)	1	17	0		27	15	0
8	Brown	1	17	0		14	16	0
14	Mazarine Blue	1	10	0		21	0	0
7	Light Blue..............	1	9	0		10	3	0
1	Ash	1	0	0		1	0	0
1	Green	1	10	0		1	10	0
1	Yellow..................	1	0	0		1	0	0
100	Pieces of Cloth .... £					146	6	0
	Deduct five per cent. discount for two months' bill					7	6	0
	Average per piece £1. 7*s.* 8¾*d.* £					139	0	0

WM. IRELAND.

10 May 1830.

Mr. W. Ireland.

A STATEMENT of Mr. A. Dixon's Prices for Dyeing 100 Pieces of Spanish Stripe Cloths in Yorkshire, with the Proportions of each Colour shipped in every 100 Cloths of thirty-four yards long, by the East-India Company.

		£.	s.	d.		£.	s.	d.
28	Purple .... at	2	11	0	each	71	8	0
25	Black	0	11	4		14	3	4
15	Scarlet (Lac)	2	8	2		36	2	6
8	Brown..................	1	5	6		10	4	0
14	Mazarine Blue	1	2	8		15	17	4
7	Light Blue	1	2	8		7	18	8
1	Ash	0	11	4		0	11	4
1	Green	0	17	0		0	17	0
1	Yellow..................	0	14	0		0	14	0
100	Pieces of Cloth, averaging ..	£1	10	0¾		157	16	2

WM. IRELAND.

W. Astell, Esq. M.P.

WILLIAM ASTELL, Esq. a Member of the Committee, delivered in the following Paper, which was read, as follows:

CONTRAST of the Prices which Mr. Abraham Dixon, in his Evidence before the Committee of the House of Commons on East-India Affairs, (9th March 1830) p. 310, states to be paid to the London Dyers for the East-India Company's Assortment of Superfine Spanish Stripes; and the last Prices paid by the Company for Dyeing to the London Dyers.

Proportion in 100.	———	Mr. Dixon.			Dyeing and Setting. East-India Company's Prices, 20th Feb. 1828, being the last London Contract.		
		£.	s.	d.	£.	s.	d.
28	Purple, per whole cloth of thirty-four yards	3	19	0	2	11	9
25	Black....................	0	19	0	1	1	9
15	Lac Scarlet	3	11	6	3	4	7
14	Mazarine Blue............	2	11	6	2	13	9
8	Dark Brown..............	1	9	0	2	5	9
7	Light Blue	1	9	0	2	3	9
1	Ash colour...............	0	19	0	1	5	9
1	Saxon Green	not stated.			2	0	9
1	Deep Yellow	not stated.			1	13	9
100 Cloths.							

10 May 1830. JAMES COSMO MELVILL, Esq. again called in, and further examined.

J. C. Melvill, Esq.

4883. In your answer to question 4298, in p. 593, you say, "that combining ordinary usage, as respects interest being included in the invoice charges, with the parliamentary enactment, the upset price of the tea should include interest from the time of the first expenditure to the time when the sale proceeds of the teas are realized." This may be the practice and the mode of computation pursued by a private merchant; but will you explain in what way it seems to you that the parliamentary enactment, to which you have referred, gives power to the Company to charge interest prior to the arrival of the tea in England?—The parliamentary enactment authorizes the Company to charge prime cost and the charges of importation. If interest were not included up to the period of arrival, I apprehend it would not be the prime cost and charges, but prime cost and charges minus interest, because the public in that case would have the free use of the Company's capital, which I never can believe was intended.

4884. In answer to question 4300, p. 594, you say, "that the charge which the Company make of interest under the Commutation Act is for eighteen months; and you have ascertained that the average period that the tea is in warehouse here is twenty months." Why does the Company resort to a mode of charging interest which, according to your statement, is less advantageous than if you charged interest for the period that the tea is in warehouse here; and the Committee put this question the more especially, because that which you state would be the most advantageous for the Company would, it is evident, be in stricter conformity with the wording of the Commutation Act?—At the period that the Company determine to put up the tea to sale, they cannot possibly say how long all of it will remain in warehouse; it therefore is necessary that they should proceed upon estimate, and my wish was to inform the Committee that I had ascertained that the estimate which the Company so make is accurate, and within bounds.

4885. When did you ascertain that?—Previously to my last examination before this Committee.

4886. Did your ever ascertain, during any part of the prior years when the estimate was formed, that the number of months was longer than the estimate you have taken?—The period of eighteen months, which the Company charge, is necessarily that which must always occur, as the Company's ships arrive only at one period of the year; and the Act of Parliament requires that there should at least (for it is a minimum) be always a year's consumption on hand. It is clear, therefore, that the actual period must be eighteen months, or the Act would be violated.

4887. With reference to the present market price of silver,

you say, in answer to question 4305, page 594, "that upon an average of all the years since 1814-15, there is only a fractional difference between the value of the rupee at the market price and at the old standard." This may be; but would it not have been a more correct and a more strictly mercantile mode of proceeding, to have considered what was the market price of silver each separate year, and not what it was upon the average of years?—Possibly it might have been; though I would explain that the standard of 5*s.* 2*d.* still existed in 1817, and that so late as 1819, Mr. Tooke, in his evidence before a Committee of the House of Commons, stated distinctly that 5*s.* 2*d.* was then the standard.

4888. You say in answer to question 4308, page 595, that "the old rate of 6*s.* 8*d.* per tale was recognized in 1781, in a paper appended to the Ninth Report of the Select Committee of the House of Commons on East-India Affairs;" the Committee wish to ask you whether that rate, having been so recognized in 1781, is the Company's justification for continuing, whatever may be the exchange at Canton upon England, so to rate the tale, that is, for continuing to rate the tale at 6*s.* 8*d.*?—That valuation of 6*s.* 8*d.* per tale is not merely recognized in the report of 1781, but it is also recognized by the Select Committee on East-India Affairs in their Fourth Report in 1812, in which they state "the common valuation of the tale of 6*s.* 8*d.* will be assumed in the sequel to this Report;" and I would further state, that it is convenient and necessary in affairs so extensive and complicated as the Company's are, that they should in all their accounts observe fixed rates of exchange; the only question, I conceive, that can arise, is whether the rates which they so observe are fair as medium rates. If they are not so, or if through a change in circumstances they have ceased to be so, then I think it must be admitted that the Company ought to alter them. When a revolution took place in the Indian exchanges, in consequence of the opening of the trade, the Court of Directors were anxious to alter their fixed rates of exchange. The Board of Commissioners for the Affairs of India were of a different opinion, and they would not allow the rates to be altered. Hence it became necessary for the Court of Directors to continue the old rate of 6*s.* 8*d.* in the China accounts, because the repayments by the Indian territory to the Company's commerce *via* China were made at the rates which the Board controlled.

4889. In answer to question 4313, page 597, you stated "that the territory obtains great advantage by remitting the three millions sterling annually at the Board rates of exchange, 2*s.* 3*d.* ·84 per sicca rupee;" but in answer to question 4307, page 595, you state "that the Company have never acquiesced in the rate of exchange prescribed by the Board;" will you reconcile what seems to be a contradiction. In one answer you attribute great advantage to the Indian territory with respect to

10 May 1830. — *J. C. Melvill, Esq.*

the Board's rates of exchange, whereas in a preceding answer you state the Company's hostility to those rates; and you observe, that had the Company sanctioned those rates in computing the cost of tea, the raising of the upset price of tea would be the consequence?—The Court's objection to the rates of exchange prescribed by the Board was one of account. The only difference by the adoption of the Court's plan, in lieu of that prescribed by the Board, would have been, that the territory, instead of getting an advantage in exchange, would have got the same amount advantage directly from the surplus commercial profits of the Company under the Act of the 53d; the territory, therefore, would have been in the same position as it is now. It would only have been a change in account.

4890. In answer to question 4324, page 598, you state that "the tale has been placed in China, by consignment of British manufactures, at 7*s.*·49*d.*" would it be in your power to let the Committee know in detail how you have come to this conclusion?—If the Committee wish for such an account, that can of course be produced.

4891. Supposing the adventure made by the Company in manufactured goods from England, or from India, upon which there should be a loss of fifty per cent., should you feel the Act of Parliament was not strained by the charging the tale at a rate which would cover that loss?—I have stated in my last examination, that such a loss would properly affect the value of the tale, as I regard all the consignments as remittances.

4892. In answer to question 4338, page 601, you have stated, " that the necessity of transferring from India to England about £4,000,000 sterling per annum is a circumstance presenting a formidable obstacle to the growth of a profitable export trade from this country either to India or to China;" is it then your opinion, that neither China nor India will ever become extensive markets for British manufactures?—I could not presume to say so at any period; but more especially at a period like the present, when the commerce of nations is so much better understood than it used to be. What I wished to impress upon the Committee was, a sense of the difficulty to which any thing like a free trade to India or to China must be subject, from the obligation under which India is placed, of annually effecting a large remittance, irrespective of returns in the ordinary course of trade.

4893. Do you consider that the same difficulty would apply were a like remittance to be due from any one part of this empire to another?—I conceive a similar difficulty would apply to the case of trade between this country and another; that if this country had to make a large payment to another country, it would be the same kind of difficulty, differing only in degree.

4894. Would it apply to the different parts of the same

empire?—It does not seem to me that the cases are quite similar.

4895. Do you not think that in the event of a free trade between this country and China, and thus putting an end to the Company's monopoly, the active enterprise and eager competition of private individuals would by degrees lead to the introduction into China of our manufactures upon a far more extended scale than exists at present?—I apprehend that nobody would send goods to India or to China, but with a view to obtain returns for them. I think that the capacity of those countries to yield returns to a profitable market is checked by the circumstance I have mentioned respecting remittances; but no doubt if the demands upon India could be reduced, or if the marketable returns from India could be increased, there would be greater facility for the sale of British manufactures.

4896. You have referred to the demands upon India for remittance to England; and although the Committee are now engaged in the China trade, this so blends India and China together, that the Committee wish to ask you, whether you do not think that the resources of India might be vastly enlarged if British capital and British skill were applied to India more extensively than is the case at present?—I hardly feel myself competent to give an opinion upon a point of that kind. It certainly seems to be desirable, as far as possible, that the resources of India should be developed to the utmost extent that they can be, consistent with the securities and interests of the native inhabitants, towards whom it appears to me we owe an obligation paramount to every other consideration involved in this discussion.

4897. Referring to what you have said respecting the remittances from India, would not those remittances be effected with as much ease and advantage through private trade as through the Company's trade?—I would state as a matter of fact, that, upon a comparison of the Company's remittances since 1814 with the rates of exchange prevalent in India for bills upon England, the Company have gained a penny per rupee by effecting their remittances through trade as compared with the rate of private bills. Were it practicable to effect so large a remittance through private trade, the Committee will see that the private trader must cover his expense in making that remittance, and that he could never afford to give the Indian territory the advantage that the Company's profits now give to it of 2*s*. 3*d*. ·84 per sicca rupee.

4898. From the advantages derivable to the British public by the results of free trade, might not means be found of enabling the Company to pay in England the India territorial charges?—It will be for the wisdom of Parliament to consider whether the *possible* advantage to this country of an open trade with China would compensate for the *certain* cost of making up

10 May 1830.

J. C. Melvill, Esq.

to India the losses which it would sustain by the trade being thrown open.

4899. What would it lose?—It will lose that which it now gets from the Company's commerce in the shape of exchange, and in the shape of direct contribution. The real deficiency of the Indian territory to pay the territorial charges, since 1814, has, to the best of my recollection, amounted to about £20,000,000 sterling; but the debt which the territory has been obliged to incur in consequence falls short of that by about £7,000,000 sterling, which has been made up by the commerce.

4900. Do you mean to say that £7,000,000 have been gained in commerce by the East-India Company since 1814?—Upwards of £12,000,000, computing the accounts at the mercantile interest of the Board's rates of exchange; which latter rates are observed in the Company's accounts of profit and loss; so that what the territory gained in the shape of exchange does not appear in that account as profit, but merges in the prime cost.

4901. Do you mean that the Company has applied £12,000,000 of its commercial profits to territorial payments, besides the difference which is gained by the territory in the Board's exchange?—No, including that. I mean, that if the Company had been completely separated from the Indian territory, and had acted only as merchants, under the provisions of the law applicable to them in that character, they would now have been £12,000,000 richer than they are, and the territory would have been so much poorer.

4902. Of that £12,000,000, can you state what portion is China trade?—I can only refer the Committee to the accounts they have upon their table.

4903. From all that you have stated in the evidence you have given, is not the conclusion inevitable that the public of this country are taxed for India; the only question being whether the amount shall be obtained by the East-India Company through their monopoly, or by the Chancellor of the Exchequer directly?—I really am not prepared to say that the public of this country are taxed for India; but I am prepared to say that India does essentially depend upon the profits of the China trade as administered by the Company.

4904. If the trade were thrown open, of course it would still be competent to the Company to trade with China; and if the possession of large capital and of all the other immense advantages arising from establishments already formed, and from influence in China obtained and fixed when there were no competitors; if all those and other advantages could not enable the Company to struggle successfully with private traders, is it not an obvious inference that the existing monopoly cannot fail to be injurious to the British empire?—I think that the Company's

10 May 1830.

J. C Melvill, Esq.

trading and individuals trading in competition might have effects mutually injurious without the country's being benefited. The Company might undoubtedly still trade, and those advantages which are enumerated in the question would afford them an opportunity, I conceive, of trading successfully in competition with private merchants; but of course their profits, if they had competitors, would be much less than they are now, and that decrease of profit would *pro tanto* prevent their ministering to the aid of the Indian territory.

4905. Would not that decrease of profit be for the benefit of the consumer of the tea in England?—If he got the tea cheaper.

4906. Would he not do so?—I am not prepared to say that he would, as that depends upon considerations applicable to the trade in China as well as in England.

4907. In the statement which Mr. Rickards delivered in of the profits of the Company's tea trade, and in your correction of it, in page 613, the Committee observe that the tale, in the computation of the prime cost of the tea, has been taken at 6*s*. 8*d*.; does not that include the loss at the Board's rate?—Yes, it does. The difference between the Board's and the mercantile rates forms a further deduction to be made from Mr. Rickards's result, if the object be to ascertain the real outturn of the tea trade in a commercial point of view.

4908. It has been stated to this Committee by Mr. Rickards, in answer to question 3790*a*, that the balance deficient of the Company has increased, since 1815, from £2,611,311 to £10,102,812; is that statement correct?—An examination of the accounts to which Mr. Rickards refers will show that they are not confined to the Company's commerce, but that they embrace the whole of their affairs, territorial and commercial. It has never been denied that the debt of India has been increased considerably since 1814.

4909. In your answer to question 4375, page 608, you stated that in Mr. Rickards's account of the profits of the tea trade he has included in his charges several items already included in the invoice amount; will you specify what those charges are, and can you, if called upon, prove your statement by the production of an account?—Undoubtedly. The invoice cost of the tea comprises the freight of the outward consignments, and also what are called "the proportional charges" upon the homeward, with all the expenses incurred in China, and paid there.

4910. Will you explain the cause of the variation in the amount of freight and demurrage?—Mr. Rickards has taken the whole of the commercial freight disbursed within the year; whereas I have taken only that portion of the commercial freight which applies to the tea brought home, and included in Mr. Rickards's account. Mr. Rickards includes the freight applica-

10 May 1830.

J. C. Melvill, Esq.

ble to the India as well as the China trade, and also the outward as well as the homeward freight from China; whereas the outward is comprised in the invoice cost.

4911. Will you furnish an account of the freight and other charges laid on the outward goods which ought not to be included in the account, but which Mr. Rickards, as you suppose, has included, for the same years to which Mr. Rickards's statement relates?—Such an account can be prepared, if the Committee desire it.

4912. Will you also explain why you credit the account with the sale to the amount of 27,975,041 lbs., while Mr. Rickards states it as only 25,492,001 lbs.?—The amount of 27,975,041 lbs is the quantity of tea stated on the other side as having been imported, deducting only the Company's expenditure in wastage.

4913. The Committee observe, that you have re-credited the same charges for interest; will you explain why you have so done, for this item causes a material difference between the result of your statement and that of Mr. Rickards?—Mr. Rickards's account is professedly framed for the purpose of showing that there has not been a sufficient profit from the tea trade to pay the interest upon the bonds and the dividends to the proprietors. If that had not been his object, I could have understood how, looking at the Company's accounts merely as the accounts of merchants, he would consider that the interest was a proper charge; but as it is interest upon the Company's own capital, it is quite clear, that, if exhibited as a charge, it must, in some way or other, be re-credited, and go to make a part of the fund from which the Company's dividend is paid, because that dividend must comprise interest for the use of the capital. Whatever may be the best mode, upon strictly mercantile principles, of making out an account of profit and loss, I apprehend that in the conduct of the Company's trade they unite the characters of capitalists, of traders, and of underwriters; and that in each of those characters they receive a gain of some sort. As capitalists, they receive the gain which every man receives from lending out his money at interest; as traders, they receive the profits of trade, deducting interest; and as underwriters, they receive the profits of their underwriting account. But when they are called upon to state their accounts of profit and loss, they are bound, I conceive, to state them in reference to the provisions of the Legislature, which appropriate to specific objects the whole of the Company's funds, from whatsoever source received. If therefore the Company stated interest as a charge, and did not re-credit it, their account would show a balance to that extent short of the fund which the law has declared to be appropriable.

4914. Have the Company any capital which is available for the purposes of trade?—Undoubtedly. I will read to the Com-

mittee a question put to the Accountant-general of the Company in the Committee of the House of Lords, and his answer. "Are you enabled to state the total amount of the commercial capital of the East-India Company, appropriated to territorial purposes under the Act of 53d George III.?—The total commercial capital of the Company abroad and at home, on the 1st of May 1828 as to England, and the 1st of May 1827 as to India, was £21,731,869."

4915. How does that appear?—The particulars are stated in the accounts of stock per computation, which are before this Committee.

4916. Does that include the fixed capital as well as the floating capital?—It does.

4917. Upon that capital, as so stated, what is the clear mercantile profit?—I apprehend that can only be shown by the aggregate statement of the Company's commercial gains, including not merely their profits in trade, but also the interest of their funded property, and of the debt due to them by the Indian territory.

4918. Upon this capital of £21,731,869, what is the clear net profit derived from all the trade of the Company in its different branches?—Such an account can be made out; but I presume, if the Committee wish to have it upon mercantile principles, we must take the mercantile rate of exchange, which we have never observed.

4919. Is the profit of the trade with India and China that derived from the employment of their commercial capital of £21,731,869?—No; because all their commercial capital is not employed in that way. A part of their commercial capital is in the funds in the East-India annuities, which produces a considerable income; a further part is on loan to the territory.

4920. Did not the accountant mean, in the statement you have read, the capital which the Company possess in their commercial character?—Clearly.

4921. In the statement of profit and loss on the trade between this country and India, it appears that in the year 1828-9 there was a loss of £531,812; from what fund is that loss provided?—That is the result at the Board's rates. The question refers to the India trade, the accounts of which have not come under my notice.

4922. By an account before the Committee it appears that the net loss upon the trade from India to China, in the year 1828-9, was £70,470, and upon the trade between India and England £531,812; and further it appears that the net profit of the trade between England and China for the same year was £741,089, and the net profit to the North American colonies £13,796, making together £754,855; now in the calculation of

10 May 1830.

J. C. Melvill, Esq.

this profit upon the trade from China was allowance made for the loss in the other two branches of trade, India and China and India and England, or ought that loss to be deducted from the net profit of the trade with China?—Allowance is made in the computation of the prime cost for so much of that loss as respects the outward trade from England and India to China, but it has nothing to do with the trade from England to India.

4923. Then, in order to show the general account of profit and loss, the Company ought to deduct profit and loss upon one trade from the profit on the other?—Except that, upon mercantile principles, there would be a large set-off upon that account by the difference between the Board's and the real rates of exchange.

4924. The Board's rates were settled in the year 1814?—They were.

4925. Are you not aware that for some years after that period the exchange was considerably higher than the rate at which the Board had settled it?—It was; but all computations of difference have been made upon the principle of debiting the commerce with the advantage in the years in which the Board's rates were lower, and the territory with that in which they were higher than the mercantile rates.

4926. Do you remember for what years the rate of exchange of that period was actually higher than the Board had fixed it at?—I think from 1814-15 up to 1819-20. In 1814-15 the rate was 2*s.* 7½*d.* per sicca rupee.

4927. In what year was it highest?—In 1816-17 and in 1818-19.

4928. Since when is it that the rate of exchange has fallen below the Board's rate?—1820-21 was the first year. It was then 2*s.* 2*d.* ·77.

4929. During the time the rate of exchange was higher than the Board's rate, were the Company deriving an advantage from their commerce?—They were; but in the computation of the result of the exchange transactions between the two branches, the commerce has been debited with the difference of exchange for the years in which the mercantile rates exceeded those prescribed by the Board.

4930. You stated in page 601, in answer to question 4337, " bills have certainly been drawn to some extent; the Company draw to small amount; the supercargoes, whose salaries are payable in England, occasionally draw. There must be ship-bills; and I have seen it stated in evidence before this Committee that the Americans have lately raised funds in China in that mode, though, if they continue to do so, instead of importing dollars, the exchange will soon be affected." Do you know when the practice of drawing those bills, on the part of the Americans, commenced?—No, I do not.

4931. Are you not aware that it commenced about the year 1818?—I was not aware of that.

4932. Do you know whether it has been increasing from that period, or otherwise?—I stated when I was examined before, that I had no information upon that subject but what I derived from the evidence given before this Committee.

4933. Can you state what, according to the rate of exchange in the year 1828, was the price of the dollar at Canton at that period?—The Company were drawn upon in the year 1818 at 5*s.* a dollar.

4934. Can you state what it was in 1826?—In 1826 the Company were drawn upon partly at 4*s.* 6*d.*, and partly at 4*s.* 3*d.*

4935. In 1828?—In 1828, partly at 4*s.* 2*d.*, and partly at 4*s.* 1½*d.*

4936. In case it shall appear that the number of bills drawn by Americans have considerably increased in the latter period, will it not follow that it has not had the effect which is contemplated in your answer to that question?—It would be necessary, previously to coming to such conclusion, to know the state of the American trade, to see what quantity of dollars they have imported during that same period.

4937. You have stated that it was necessary, acting up to the tenor of the Commutation Act, that the Company should always keep a stock of tea on hand to the amount of one year's consumption; are you not aware that the obligation therein contained is of keeping such a stock of tea as, including the quantity ordered but not received, shall amount to one year's consumption?—I stated upon a former occasion that the Company have always construed that clause to mean, that they should have at all times at least a year's consumption in warehouse.

4938. Will you have the goodness to read the clause?—"That the said United Company shall from time to time send orders for the purchase of such quantities of tea, and provide sufficient ships to import the same, as, being added to the stock in their warehouses, and to the quantities ordered and not arrived, shall amount to a sufficient supply for the keeping a stock at least equal to one year's consumption, according to the sales of the last preceding year, always beforehand."

4939. Does not that stock include the quantity in the warehouse, as well as the quantity that has been ordered and not arrived?—In the Company's construction of that clause it includes only the quantity in warehouse.

4940. You have stated in your answer to question 4368 in what manner the Company regulate the quantity of tea which they put up at each sale, and you stated, as a proof that the market is abundantly supplied by the Company, that large quantities have been rejected at every sale?—Lately.

10 May 1830.

J. C. Melvill, Esq.

4941. If the Company put up their teas at the real cost to them, and they put up such a quantity as to always have a portion rejected at that upset price, would it not necessarily follow from such a course that they never could make any profit upon their tea at all?—If the quantity rejected went to such an extent; but when I spoke of considerable quantities, I alluded to the rejection of a million of pounds weight at one particular sale. The object of the Company has been that of leading, by an abundant provision, to an increased consumption, rather than of supplying an increased demand after it should have been ascertained to exist; and I merely mentioned the fact of tea having been rejected, as tending to show that the Company, far from starving trade, abundantly supplied the market.

4942. If they are regulated, as to the quantity put up for sale, by the circumstance of putting up until a portion is rejected by the buyers, does not that necessarily lead to the consequence that the portion that is sold must be sold at a price not exceeding the upset price; because if any portion is rejected by the buyers at the upset price, is not that a proof that any buyer might have provided himself at the upset price, and therefore, as a consequence, that no person can have given more than the upset price?—There can be no doubt that latterly it has occasionally occurred that the Company have not received the upset price for rejected teas; they have been put up at the following sale at no price, and they have not always received the upset price for them.

4943. Did you not mean the Committee to infer that that was the ordinary practice of the Company in regulating their supply for the demand?—No; I stated that the principle to which they look in determining what quantity to offer for sale is the amount of deliveries and the quantities sold at the previous sale.

4944. Is the Committee to understand that the fact you have stated of large quantities having been rejected is merely an accidental fact, and that it is not to be taken into consideration with a view to judge of the circumstances which have regulated the Company in the quantity of tea they put up for sale?—Certainly; the Company, in the quantity put up for sale, look at actual deliveries and actual sales.

4945. But they do not regulate the quantity, so as to put up a portion of each quality that shall be actually rejected by the buyers?—Clearly not.

4946. Would not such a course be inconsistent with the possibility of making any profit?—When the Company declare tea for sale, they of course expect and hope that they shall sell all that they declare.

4947. That being the case, and the Company looking to

10 May 1830.

J. C. Melvill, Esq.

making a given profit upon their tea, is not that profit entirely regulated by the quantity that is put up?—I apprehend the Company never regulate or limit the quantity of tea with a view to making any certain amount of profit; without adverting to the question of amount of profit, they look only to the demand for the tea.

4948. Is not the profit that they look to making entirely dependent upon the quantity they may put up for sale?—The quantity they put up for sale must affect the rate of profit.

4949. What rate of profit do the Company look to in determining the quantity of pounds weight of tea that they put up for sale?—I must repeat, that the Company never take into view the question of profit when they declare the amount to be sold.

4950. Do not they always determine to take it in if it was not sold at a certain price?—They are authorized by law to put it up at a certain price; and having ascertained that it will not fetch that, it is put up without price at another sale, and sold at what it will fetch.

4951. Supposing any given quantity of tea to be imported, say 10,000,000 of pounds, which would command a given price; are you not aware, that if you put up 9,000,000 of pounds, you would create that sort of scarcity which would give you an increased price; and if you were to put up 11,000,000 of pounds, it would bring you either to your prime cost or to a loss; and, therefore, the price which the Company is to obtain must depend entirely upon the proportion of the quantity put up to the demand and the consumption?—Undoubtedly.

4952. That being the case, do you suppose that the Company, in regulating the quantity to be put up for sale, do not do it with reference to some given profit, which they have made up their minds to be reasonable for them to receive?—I am sure they do not.

4953. Do you suppose that the upset price has anything to do with the price actually obtained at the sale?--I confess I think it has; but that is a question upon which there is a considerable difference of opinion. When there has been great competition, and the sale price has considerably exceeded the upset price, I know that some persons, who are well informed as to the sales, think the upset price has nothing to do with the sale price.

4954. For instance, a pound of tea that may sell for 3*s.*, whether you start the first price at 6*d.* or at 2*s.* 6*d.*; can it make any difference in the result of the sale?—Certainly not.

4955. Therefore does the price paid for tea depend, in your opinion, upon the quantity put up, and not upon the upset price?—My own opinion is, that they both affect it; that taking the whole sale into view, the upset price must affect the sale price.

10 May 1830.

J. C. Melvill, Esq.

4956. In what proportion does the quantity put up at one sale, with reference to the previous deliveries, exceed the quantity sold at the previous sales?—I am not aware of the precise proportion, but it is what would be called a *liberal* supply in reference to the past sale.

4957. Are you not bound by Act of Parliament to put up at least as much as the previous year's consumption amounts to? —I am not aware of any law of that kind.

4958 Is there any tea ever put up without a fixed price, except that which has been previously rejected?—I am not exactly prepared to answer that question.

4959. In your correction of Mr. Rickards's statement, it appears that he takes the salaries and emoluments at £95,653, the expenses in China at £54,735, amounting together to £150,388; you take them at £82,140; what is the reason of that difference? —That difference is the proportion of the expense which is incurred and paid in China, and which comes into the invoice cost of the teas. The invoice amount of the teas includes all the charges paid in China, therefore the effect of Mr. Rickards's entry is to state that charge twice.

4960. You stated that the Company always take into consideration the quantity of tea which the public seemed to require; must not the quantity which the public take off depend upon the price at which it is sold?—Yes; but the price at which it is sold depends upon the public competition for it at that sale.

4961. The Company being the sole sellers of tea, and having the experience of some years, are of course easily able to regulate themselves by the price and quantity that have been previously obtained?—I should think that it is the Company's supply that has affected the price. I find that as the Company have increased their supply, the price has materially fallen, and I think that is apparent from the statements upon the Committee's table.

4962. Having the power of limiting the quantity to be sold, have they not also the power of commanding the upset price? —If they have the power of limiting the quantity, it is a power which they have never thought of exercising.

4963. In answer to question 4359, you take the whole quantity of tea sold in 1829 to be twenty-seven millions and a half of pounds, and you state that the price of the contract congou in 1829 was 20*d.* ·03 per pecul; is not that the highest price?— It was necessary for me, in examining Mr. Bates's calculation, to take the price which he assumed, 29 tales per pecul; and on reference to the prices actually paid by the Company, I find that the average price of contract congou was within 140 decimals of 29 tales.

4964. Is not a great proportion of the tea very much inferior to the contract congou?—Yes; but my answer was given to meet the hypothetical calculation of Mr. Bates.

4965. Are you aware of the quantity of opium which is sent at the present moment from India to China?—I know that it is very considerable.

4966. Are you aware of the fact of its having increased very much?—I believe it has; but at the same time that trade is subject to certain contingencies. The supercargoes have reported twice or three times during the present charter, that owing to some new exercise of rigour on the part either of the Emperor of China or of the local authorities, to check the contraband trade in opium, they have been unable to rely with confidence upon the proceeds of that opium for the supply of their treasury.

4967. Supposing that trade to have considerably increased, would it not thereby afford considerable facilities in carrying on the rest of the China trade?—The Company always take up two-thirds of their funds in China, by either bills upon India or consignments from thence; and therefore it can only affect, so far as the Company are concerned, the difference between that and the total amount of the prime cost.

4968. Are you acquainted with the present price of opium in China; has not it diminished in proportion to the increased quantity?—I am not acquainted with that fact.

4969. In answer to question 4356, relative to the difficulty of obtaining bills in Canton upon England, you stated that you would obtain the particulars there inquired after for the information of the Committee; have you obtained that information?—I have. In the year 1815-16, the supercargoes of China having occasion to draw 841,716 in dollars, opened their treasury in China for bills at the rate of 5*s.* 6*d.* a dollar, at which they obtained 391,823 dollars; they then increased the rate to 5*s.* 9*d.*, at which they obtained 337,073; and they then further found it neceesary to increase the rate to 6*s.*, at which they obtained 112,820 dollars; and they ultimately were obliged to get specie from Bengal.

4970. What was the first rate?—5*s.* 6*d.*, 5*s.* 9*d.*, and 6*s.* So far as respects the question of facility for raising money in China for bills in England, I will read an extract of a secret letter from China dated 28th of January 1826, in which the supercargoes say "the great and sudden fall in the value of bills on England, and the absence of any distinct ground on which to infer that bills will in the next season recover their rate, lead us to hesitate in offering an opinion that so large a sum as 1,000,000 of dollars may be procured next winter by bills issued at any rate of exchange, equivalent to the cost of remittance of dollars from London to Canton on account of the Company."

10 May 1830.

J. C. Melvill, Esq.

4971. What was the result in the following year?—In 1826 they drew 73,169 dollars, and 79,168 dollars.

4972. Were they able in the subsequent year to draw to the amount of 1,000,000 of dollars about which they express some doubt?—In the year 1827-8, they drew 1,700,000 dollars, at 4*s.* 3*d.* the dollar.

4973. Were the fears anticipated in that letter actually realized?—It would appear not; but the apprehensions of the supercargoes probably arose from anticipating an interruption to the opium trade, which might or might not take place.

4974. Three years have since elapsed; has any other letter from the supercargoes been received expressing similar fears?—The supercargoes are not allowed now to draw upon England, and they have obtained their supplies by bills upon India, and by consignments from India and from England.

4975. Has there frequently been great difficulty in obtaining bills upon India at Canton?—There may have been. The supercargoes have sometimes felt difficulty in negociating their bills upon India.

4976. Has there been any other mode of remittance resorted to in consequence of that difficulty?—Yes; bullion has been exported from Canton to India.

4977. Would the rate of exchange show a difficulty of getting bills; has not the rate fallen from 4*s.* 3*d.* to 4*s.*?—It would appear so from the Canton Register. I believe the quotation in that document of the low rate is accompanied by the observation "No Bills."

4978. If the East-India Company, in their trade with China, think it necessary to employ all the different circuitous modes which you have described, of maintaining the exchange in Canton, so as to bring the tale out, as you have stated, at 6*s.* 8*d.* to the Company; and if under that protection which the Company are giving to exchange, the foreigners are availing themselves of that circumstance to draw their bills as low as 5*s.* 6*d.* the tale, is it not clear that the Company are working for the benefit of the foreigners in that instance?—I could not arrive at any such conclusion by looking at the exchange in one year. No just conclusion can, I apprehend, be formed, but by looking at it upon the average of years; and upon the average I find that the Company's valuation has been less than that of the exchange rate at Canton, and therefore less than that at which a foreigner can draw.

11 May 1830.

Mr. J. Kennedy, and Mr. H. H. Birley.

Martis, 11° *die Maij* 1830.

Mr. JOHN KENNEDY and Mr. HUGH HORNBY BIRLEY called in and examined.

4979. (*To Mr. Kennedy.*)—You are a resident at Manchester?—I am.

4980. (*To Mr. Birley.*)—Where are you resident?—At Manchester.

4981. You were formerly the President of the Chamber of Commerce in Manchester?—I was.

4982. (*To Mr. Kennedy.*)—You are well acquainted with the spinning of cotton?—I am.

4983. How many years have you been engaged in it?—For nearly forty-six years.

4984. Are you intimately acquainted with machinery?—For about ten years I was employed entirely in learning to construct machinery for cotton spinning.

4985. Are you now engaged in the business?—I am not.

4986. Do you continue any researches upon the subject of machinery at present?—I do.

4987. Have you ever seen a printed statement prepared by the late Mr. Lee of Manchester, in 1812, of the comparative cost of labour in producing yarn in Britain and in India?—I have.

4988. Did you assist in the preparation of that document?—I did, in part.

4989. With what view was that document prepared?—To show to a deputation that was in 1812 in London, upon the East-India trade, the probability and the possibility of extending our trade in the export of yarn.

4990. Did the spinners in Manchester contemplate the possibility of being able to furnish the Indians with cotton yarn?—Some did.

4991. Did you yourself?—When the statement was made out, it was obvious to every one.

4992. Can you furnish the Committee with a copy of the paper to which you have alluded?—I can.

[*The witness delivered in the same, which was read as follows:*]

(No. I.)

To the Committee at Manchester, meeting to Oppose the Exclusive Trade of the East-India Company.

Gentlemen,

The general arguments against monopoly are so obvious, and have been so perspicuously treated by various eminent theoretical writers,

11 May 1830.
——
Mr. J. Kennedy,
and
Mr. H. H. Birley.

as well as by the representations of practical persons, that it becomes principally important to us to state such grounds of objection to that of the East-India Company as peculiarly belong to our branch of business, and to present to the legislature, concisely, the evidence of our claims to an unfettered trade to India.

The prominent and essential features of economy in the cotton manufacture consist in the discoveries and improvements in spinning within the last thirty years, especially for the finer fabrics, in consequence of Mr. Crompton's invention of the mule; and by the introduction of the steam-engine, upon Mr. Watt's principle, by which the moving power was brought to the population, and, consequently the labour was collected in less time, and created with less expense.

In the year 1782, cotton twist, by Sir Richard Arkwright's invention, which was the precursor and parent of the subsequent improvements, exceeded the cost of the raw material 20*s.* per pound for No. 60; it now exceeds it, by the mule, only 1*s.* 6*d.* per pound; and taking into consideration the depreciation in the value of money, it cannot be estimated at less than a reduction of from 20*s.* to 9*d.* per pound; an extraordinary and astonishing instance of skill and economy, superadded to the great advancement in both made previously by Sir Richard Arkwright.

In order to explain and to contrast the effects of British mechanism with the simple labour of India, I shall exhibit the relative productive power of each, and the cost of cotton-yarns produced by each, comprehending that range of fineness chiefly required for the eastern fabrics.

The quantity of mule spindles in Great Britain appears by actual survey to be—

4,200,000, producing a quantity of cotton-yarn at least equal to that which can be spun in the same time by 4,200,000 persons in India; the wages of each are supposed at 2*d.* per day; but in Britain
70,000 persons would produce the same effect, by machinery, at 20*d.* per day; consequently
1 person in Britain will be equal to
60 in India; but in consequence of more expensive apparatus, and various contingencies, I will state that
1 person is equal to 40 in India;
40 × 2*d.* = 6*s.* 8*d.*, which is the value of labour for spinning in India to correspond with that of one person in Britain, or as 6*s.* 8*d.* to 1*s.* 8*d.*

It is therefore evident that one spinner by machinery, in Britain, will produce yarn at one-fourth the price that it cost for the same quantity of workmanship in India, supposing the wages of the former to be 1*s.* 8*d.* and of the latter to be 2*d.* per day.

The following statement is a comparison of the cost of labour in producing yarns in Britain and India, for one pound weight, from No. 40 to 250, and likewise of the value of the labour and material combined.

—	Hanks spun per day in both, per Spindle.	BRITISH.						INDIA.				
		Cotton.		Labour.		Cost.		Cotton.	Labour.		Cost.	
No.		*s.*	*d.*	*s.*	*d.*	*s.*	*d.*	*d.*	*s.*	*d.*	*s.*	*d.*
40......	2·00	1	6	1	0	2	6	3	3	4	3	7
60......	1·75	2	0	1	6	3	6	3½	5	8½	6	0
80......	1·50	2	2	2	2	4	4	4½	8	10½	9	3
100......	1·40	2	4	2	10	5	2	5	11	11	12	4
120......	1·25	2	6	3	6	6	0	5	16	0	16	5
150......	1·00	2	10	6	6	9	4	6	25	0	25	6
200......	0·75	3	4	16	8	20	0	6	44	7	45	1
250......	0·50	4	0	31	0	35	0	8	83	4	84	0

Though in every case in which there was the least uncertainty or doubt, the representation has been stated on the side favourable to the foreign cotton-yarn, yet the result of this comparison is, that the same quantity and fineness is spun in Great Britain, by machinery, for about one-fourth of the cost of labour for which it is produced in India by the hand, which nearly corresponds with the preceding calculation; and that, reckoning the mean price of cotton-wool in Britain at *2s. 6d.* and in India at *5d.* the cost of labour and materials united would be less, upon an average, than one-half.

It is, therefore, upon the basis of spinning that the great abridgements of labour, and the consequent cheapness of the cotton manufacture, have been chiefly founded; and by which we shall be able to meet competition in the eastern markets, either in yarns or in cloths, of which they form the principal constituent value.

Very important discoveries and improvements have, doubtless, been made in weaving, dyeing, printing and bleaching, and particularly for certain operations and descriptions of cloth; but taken in the gross the amount will bear but an inferior proportion to the economy introduced by spinning, upon which both invention and exertion have been upon the rack for the last thirty years, and a real capital vested in building and machinery of from eight to ten millions sterling.

I remain, gentlemen, your most obedient servant,

Manchester, 15th April 1812. GEORGE LEE.

4993. Was the paper you have now delivered in printed and widely circulated at the time?—It was.

4994. Was it printed for the purpose of being laid before the Committee then sitting upon the East-India Company's affairs?—It was furnished for the deputation to do with it as they thought best.

4995. Has there been a great fall in the price of the raw material of the manufactures from the year 1812 to the year 1830?—It has fluctuated very much.

4996. Do you think there has been a gradual fall in the price of cotton since 1812?—Yes.

4997. Can you furnish the Committee with a comparison of the cost of labour in producing yarns in England and in India in

11 May 1830.

Mr. J. Kennedy, and Mr. H. H. Birley.

1812 and in 1830?—I can. I have a statement showing it by the pound; and I have also another statement of the comparative prices of a continuous thread a mile long, in the period of 1812, and at the present period, contrasted with the supposed cost of the same yarn spun in India.

[*The witness delivered in the same, which were read, as follows:*]

No. 2.—Comparative Statement of the Prices of English and Indian Cotton Yarns, in the Years 1812 and 1830.

No.	English Cotton Yarn.								Indian Cotton Yarn.			
	Hanks per Day per Spindle.		Price of Cotton and Waste per lb.		Labour per lb.		Cost per lb.		Cost per lb.	Labour per lb.	Price of Cotton and Waste per lb.	Hanks per Day per Spindle.
	1812.	1830.	1812.	1830.	1812.	1830.	1812.	1830.	1812 and 1830.	1812 and 1830.	1812 and 1830.	1812 and 1830.
			s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	
40	2	2·75	1 6	0 7	1 0	0 7½	2 6	1 2½	3 7	3 4	0 3	2
60	1·75	2·5	2 0	0 10	1 6	1 0½	3 6	1 10½	6 0	5 8½	0 3½	1·75
80	1·5	2	2 2	0 11¼	2 2	1 7½	4 4	2 6¾	9 3	8 10½	0 4½	1·5
100	1·4	1·8	2 4	1 1¾	2 10	2 2½	5 2	3 4¼	12 4	11 11	0 5	1·4
120	1·25	1·65	2 6	1 4	3 6	2 8	6 0	4 0	16 5	16 0	0 5	1·25
150	1	1·33	2 10	1 8	6 6	4 11	9 4	6 7	25 6	25 0	0 6	1
200	0·75	0·9	3 4	3 0	16 8	11 6	20 0	14 6	45 1	44 7	0 6	0·75
250	0·5	0·6	4 0	3 8	31 0	24 6	35 0	28 2	84 0	83 4	0 8	0·5

N.B.—In 1812 and in 1830 the wages of labour in England are estimated at 20*d.* per diem for every person employed, including men, women, and children.

All expenses (as well interest on capital, fixed and floating, wear and tear, and depreciation consequent on new improvements, as wages) are included in the column showing the cost of labour.

No. 3.—COMPARATIVE Prices of English and Indian Cotton-Yarns, in the Years 1812 and 1830, reckoned per mile.

11 May 1830.

Mr. J. Kennedy, and *Mr. H. H. Birley.*

—	English Prices.		Indian Prices.	—
	1812.	1830.	1812 & 1830.	
No.	*d.*	*d.*	*d.*	*Note.* — Two hanks of yarn are one mile *nearly*.
40	1 ½	¾	2 ⅛	
60	1 ⅜	¾	2 ⅜	
80	1 5/16	¾	2 ¾	
100	1 ¼	13/16	3	
120	1 3/16	13/16	3 ¼	
150	1 ½	1	4 1/16	
200	2 ⅜	1 ¾	5 ⅜	
250	3 ⅜	2 ¾	8	

London, 6th May 1830. JOHN KENNEDY.

4998. Have you made any difference in the price of labour in India between the year 1812 and 1830?—No.

4999. Do you understand that there has been any difference?—Not that I ever heard of.

5000. How do you ascertain the cost of spinning in India?—We had the same apparatus to spin with in England, previous to the last seventy or eighty years, that they had in India; and I understand that in India they have the same machine still.

5001. Does this computation proceed upon any knowledge you have yourself upon the subject?—(*Mr. Birley.*) It was assumed in 1812, that an individual spinning with the hand would produce as much with a spindle as one of our spindles moved by machinery; and those who have observed the spinning of flax and wool and worsted, by hand, feel quite certain that it is making an ample allowance. The object of Mr. Lee in preparing that statement has been rather to understate than to overstate.

5002. Are you yourself acquainted with the Indian machinery?—(*Mr. Kennedy.*) I have seen a great variety of models of Indian machinery for the purpose of preparing and spinning cotton in India.

5003. Do you make any difference in the price of the raw material in India between 1812 and 1830?—No.

5004. Have you any reason to believe that the prices are the same now as they were then?—The last price-current seems to correspond within a fraction, or nearly so, with what it was then.

5005. Has there ever been any improvement of the cotton exported from India to England since the year 1812?—I think not; the Surats have been better got up in some instances.

11 May 1830.

Mr. J. Kennedy, and Mr. H. H. Birley

5006. From the calculations that were drawn up in 1812, you assumed the great probability of an extension of trade between India and England?—Certainly; I speak more particularly of yarn.

5007. Has that expectation been realized by the subsequent event?—It has. In 1812 there were nothing more than samples sent out, at that period amounting to a few hundred pounds weight; and the last returns I have seen are between 4,000,000 and 5,000,000 of pounds.

5008. Have you reason to believe that the result which has taken place with reference to India might equally apply to other parts of the East, if the trade were thrown open?—Whenever yarn is wanted I conceive that may take place.

5009. Have you reason to believe that such yarn would be in request in the China market?—I am not at all acquainted with the China market.—(*Mr. Birley.*) There is no doubt of the fact.

5010. And perhaps also through the Eastern Archipelago?—Yes.

5011. Upon what grounds do you form that opinion?—From the circumstance of orders having been given and increased.

5012. Do you mean from China?—Yes; in the first instance a considerable error was committed as to the fineness of the yarn that was sent out; but there is no doubt that both from America and this country yarn has been sent to China. The East-India Company, I believe, gave very large orders last year for China for yarn; at least it was so understood in Manchester.

5013. Do you know anything, of your own knowledge, of any American orders for cotton-yarn for the China market?—By correspondence we do. The house of which I am a member had information from an American merchant that it was an article which might be sent out circuitously, and be extensively used in China.

5014. Have any long-cloths of British manufacture been exported to India?—A great many cotton cloths, of about the quality which we understand to be long-cloths, have been so sent out.

5015. Formerly were they not invariably imported from India for consumption here?—They were.

5016. For how long has that trade been going on?—Certainly from the time of the opening of the trade, if not previously.

5017. Has it been progressively going on?—Certainly it has been going on increasing: but, for my own part, I contemplate rather supplying the Indian market with yarn than with manufactured goods in future.

5018. Do you consider the long-cloths, sent out from this

11 May 1830.

Mr. J. Kennedy, and Mr. H. H. Birley

country to India, to be equal, in point of substance, solidity, and duration with the long-cloths of that country?—I should rather apprehend not. Generally speaking, wherever we export cotton cloths, we have found it necessary to make a cheap article, to meet the wants and the ability of the purchasers.

5019. Do not you invariably obtain the preference upon the coast of Africa through Gibraltar?—Great quantities go through Gibraltar.

5020. Do not the Manchester long-cloths now supersede the Indian long-cloths in the Gibraltar market?—They are sold to a great extent. I have no establishment at Gibraltar, and therefore I cannot answer decidedly.

5021. What difficulty has the English manufacturer, according to the present state of the law, in sending his goods to any part of India?—I am not aware of any difficulty, excepting to China.

5022. Could not you find freight to send it to China?—Not directly.

5023. So that the only extension that could be given to the trade by law is confined, in your opinion, to the opening of the China trade?—Yes.

5024. Can you suggest to the Committee any other alteration of the law, by which the exportation of goods to other parts of the Indian seas could be improved?—I am not aware of any impediment.

5025. Are there any facilities that might be given, which do not now exist, for the introduction of British manufactures into the consumption of India?—I know no facilities which could be afforded, unless it be by attention being bestowed upon the culture of certain productions of India, and by the opening of the China trade, so that we could get our returns more easily.

5026. Would it not afford you increased facility if you had agents, for instance, in the towns of British India?—There are houses of agency in certain parts of India. Increased facilities certainly might be expected to lead to more extensive demand.

5027. Is a ship of British register allowed to navigate from one port of India to the other?—I apprehend not.

5028. Would that be a facility?—Certainly, trading voyages would be very advantageous.

5029. Are there some facilities that might be given that do not now exist?—Certainly.

5030. Are you aware that some cotton imported from New South Wales has lately been sold at Liverpool?—I have heard so; I have seen it reported.

5031. Do you know the price at which it was sold?—I do not. I remember it was mentioned in our broker's letter.

5032. Was it the growth of New South Wales?—It was.

11 May 1830.

Mr. J. Kennedy, and Mr. H. H. Birley

5033. Are you not of opinion that if returns could be got from the East, the trade carried on between Great Britain and the East generally might be very largely increased?—Undoubtedly.

5034. Do you not conceive that the power of importing tea into this country on the part of the free-trader would tend greatly to increase that trade?—Certainly.

5035. Must not you also have the demand as well as the returns?—I have no doubt of the demand.

5036. Do not you know that English manufactures, at the present instant, in India, are now selling below the prime cost?—There is not a market in the world which we do not sometimes overstock; but I always expect good to result from that.

5037. From the opening of the trade, has not that been almost constantly the case in India?—By no means; we had increasing orders for precisely the same qualities of goods for several years.

5038. Are not the cottons now furnished much cheaper at Manchester than they were at the time of the opening of the trade?—It is upon that that I ground the expectation of an increase in the demand.

5039. Do not you know that they are admitted at a very low duty in India, whereas the cottons of India are subject to a high duty here?—Certainly; I think it is a pity that those duties remain. That opinion was expressed about the time of the discussion as to the last renewal of the charter by a deputation from Manchester to the then Chancellor of the Exchequer.

5040. Do you know whether any cotton goods are sent to India with a view of being forwarded to China from India?—I cannot state that of my own knowledge.

5041. Are you acquainted with any imitations having been made of the Chinese patterns?—I have understood that orders are now in the course of execution for China; but whether it is by license from the Company, or how they are intended to go, I am not prepared to state.

JAMES COSMO MELVILL, Esq. again called in, and examined.

J. C. Melvill, Esq.

5042. ARE not the exchanges in China affected by the price of silver in England?—I apprehend it must have a proportionate effect.

5043. Taking all the circumstances you have stated into consideration, is not the rate by which the upset price of the teas is calculated higher than that at which for the year it could have been realized?—It would be impossible for me to answer that question accurately, because I do not know what effect might have been produced upon the rates of exchange in China if the Company had increased their demand upon the Canton market for money in exchange for bills.

5044. Is it not considerably higher than that at which the foreigner could afford to supply the tea?—I am not aware that the foreigner can have any advantage over the Company in drawing upon England. The Company, by negotiating their bills in China, can certainly get as good an exchange as the foreigner.

5045. If the fact be that the foreigner has actually realized his bills at 5*s*. 6*d*. the tale, is not that the case?—It would still, I submit, remain to be considered whether the Company's extensive transactions could have been conducted on the same scale. An individual merchant may obtain a single cargo at a favourable rate of exchange; but it does not follow that the whole trade of a country could be conducted at the same rate.

5046. Then the small trader has a benefit over a large company?—It is possible that cases may arise in which a single trader derives a larger rate of benefit than has accrued in the aggregate of the large operations of the Company; but such cases, if they have occurred, shew nothing more than that individuals, out of a great body of traders, may get more proportionate profit than arises in the mass of trade.

5047. Must not the rate of exchange, after all, depend upon the balance of exports and imports into the market of Canton? —As a general principle, undoubtedly. In the present instance the exchanges are affected by the balance of payments rather than the balance of trade. India annually incurs a large debt to this country, which must be remitted through trade, and which is irrespective of any returns in the ordinary course of trade. The payment of that debt operates not merely on the exchanges of India, but also on those of China, a considerable portion of the amount being paid through China.

5048. Must not the Canton exchange be regulated by the balance between the values of the imports and exports at Canton, without reference to what the state of trade may be, or the state of political payments between England and India?—I think that the Canton exchange must be affected by the Indian exchange. A large portion of the balance of trade due from China to India is retained in China to pay the debt which, in the course of trade, England owes to China.

5049. If the result of the China trade, taken separately, were such as to make it necessary to send bullion for the payment of any balance, or if the state of that trade made it necessary to bring bullion from China for the balance, would not the rate of exchange depend upon that fact, without reference to the state of trade anywhere else?—It would then depend upon the cost of sending the bullion. I would here observe, that the balance of trade with China, so far as respects Europe, is greatly in favour of China.

5050. Must not the rate of exchange be determined by the

11 May 1830.

J. C. Melvill, Esq.

payments both to England and to India?—Ordinarily the rate of exchange must be determined by that circumstance; but there cannot, I conceive, be a regular and free course of commercial exchange between this country and China, because the Company are the great exporters from China, and they cannot make those exports the medium of remittance for other persons, without interfering with the payments required to be made in England for the territorial purposes of India.

5051. Supposing 5*s.* 6*d.* per tale to have been the exchange at which the foreign trader is able to pass his bills; supposing the Company to have had no exclusive monopoly of the China trade at all, and to have had nothing to do with it, and that the opium and the cotton and different articles had gone through a free trade; do not you suppose that the result of that free trade must still have left the value of the tale, by which the balance of the trade would have been regulated, at the rate of 5*s.* 6*d.*; that is to say, by whomsoever the trade was carried on, must it not have produced a given rate of exchange?—But supposing 5*s.* 6*d.* to have been the rate of exchange prevalent, I apprehend it would have greatly increased with the demand for money in exchange for bills.

5052. Must not the demand on the market for bills depend upon whether China has to pay a balance or to receive a balance?—That would certainly be the case. But the Company cannot grant the bills if demanded.

5053. If the free trader was to trade with China, and depend upon bills to obtain the tea, would not the whole freight be chargeable to the tea?—Undoubtedly.

5054. That being the case, would not that raise the value of the tale beyond the mere price in the market according to the exchange?—I apprehend it would. The Company's valuation of the tale includes the outward freight.

5055. Then there is no difference in that respect between the trade of the Company and the trade of a private trader, except that, from circumstances, the Company may be at a greater expence in point of freight?—I should think not.

5056. In furnishing the market here with tea, would there be any difference between the Company's furnishing it in the mode you have stated by bills, or the free-traders' furnishing it by bills, unless there be some difference in the freight?—Certainly not. The Company may negociate bills upon at least as good terms as the private trader.

5057. With respect to bullion would there be any difference?—None whatever.

5058. Then the calculation you have made with respect to the price at which the tale is made by the operations of the Company would not differ from that which it would be to the

free-trader, unless there be a difference with respect to the freight?—The value of the tale in the upset price of the tea includes a portion of the outward freight, so that the real cost of the tale to the Company would appear less if all the freight were put upon the homeward cargo.

5059. Would not the difference of the cost of the tea in England to the consumer, comparing it with the cost of the tea to the East-India Company, and what would be the cost of the tea to the private trader, depend, first of all upon the amount of profit which the Company as monopolists impose; secondly, upon the question of the proportion of freight between the Company and private traders; thirdly, upon the result of the outward investments of the parties; and, fourthly, upon whether the one or the other dealt most favourably with the Chinese in their purchases?—There can be no doubt that the price of tea paid to the Company, as compared with what might be paid to a private merchant, would depend upon the comparative advantage with which those parties bought the teas in China. Nor can there be any doubt that the result of the different modes of placing the tale in China, whether by the proceeds of bills or by consignments, must affect the price of tea in England. With respect to profit, the Company exact no profit but that which the Commutation Act authorizes, and indeed they exact less, for the Commutation Act authorizes an advance of 1*d.* per lb. and the Company offer to sell their tea at an advance of one farthing per lb. The rate of freight of course must affect the price of tea to the consumer, but the freights which the Company pay are occasioned by a legislative enactment, which regulates the taking up of their shipping, and from the operation of which they can only be exempted by Parliament itself.

5060. Have not you given an opinion, in an earlier part of your examination, that the profit to the Company must be regulated by the quantity of tea that they put up, and the proportion that quantity may bear to the demands of the consumption?—I have no doubt that the quantity put up must affect the price; but, as I have before stated to the Committee, the Company abundantly supply the market.

5061. If the Company chose to supply that consumption so abundantly as to sell it at the prime cost, could they very easily do so?—That would depend upon the competition of the buyers. If the Company chose to give away their tea, I suppose they might do so.

5062. Must they not by Act of Parliament put it up at cost price?—All that they expose for sale they must put up at a price not exceeding prime cost, with the other charges specified in the Commutation Act.

5063. Therefore they cannot sell under prime cost?—Yes, I

11 May 1830.

J. C. Melvill, Esq.

apprehend they can. The Act of Parliament merely precludes the Company from putting it up at more than the cost price.

5064. Is it not true that the Company might, by regulating the quantity put up, produce any given price of tea, from the price which you call the giving-away price, up to almost any amount of profit that they might put upon it?—I have no doubt that the Company might raise the price of tea by limiting the quantity exposed to sale; but that is a power which, if they possess it, they have never exercised.

5065. Having that power, do you not presume them to exercise it, upon the calculation of giving themselves what they consider a reasonable profit?—I must again repeat to the Committee, what I know to be the fact, that in fixing the quantities to be put up for sale, the Company never advert to the amount of profit that they expect to receive. They look only to the state of the market, and their object is to afford an abundant supply.

5066. Can you state what the per-centage of profit is, upon the average of any given number of years, upon the tea trade?—From a calculation that has been made in consequence of Mr. Bates's computation, it would appear that, supposing the tea to have been all contract congo (the species assumed by Mr. Bates), the rate of profit beyond interest for the use of the capital amounted in 1829-30 to twelve per cent. in the two years that the capital is locked up; that is, six per cent. per annum.

5067. Is that the result of two particular years?—It is the result only as applicable to contract congo tea in the year 1829-30, and was ascertained solely for the purpose of meeting Mr. Bates's statement, which had reference to that kind of tea, and to that year.

5068. If the same calculation were made for a longer period, do you think it would widely differ from that?—I think the rate of profit would be much higher in former years. I will explain one or two of the particulars of the calculation. The Company offered to sell their contract congo tea (and although that is the tea upon which this calculation was made, yet the result would, I believe, be nearly the same as to all kinds of tea, the profit on contract congo in 1829-30 affording a fair average of the profit of teas upon the whole sale) at 2*s.* 1¼*d.*: the upset price was 2*s.* 1*d.* and the farthing was the advance at which it would have been sold if no more had been bid. The price at which it was sold was 3*d.* above that upset price, which is twelve per cent., and the capital is locked up for two years.

5069. In the upset price at which the tea is put up, is not interest for capital included?—I before stated, that the interest is included in the upset price.

5070. Is not that a particular case that you have selected?—It is for a particular year, 1829-30, and the calculation is made

with reference to a particular tea, the contract congo. Both the year and the tea are those which were selected by Mr. Bates. The profit that the Company made in that year upon the contract tea is about the average profit that they then made upon all descriptions of tea.

5071. Was the profit in 1829-30 lower than in most other years?—It was much lower.

5072. Lower than any other year?—I think it was lower than in 1828-9, but that was very low also.

5073. How do you calculate the capital of the Company employed in the tea trade?—This is calculated upon the principle of taking the cost of the tea in China, all the charges upon that tea, the freight that is paid, and every thing that constitutes the upset price and the aggregate cost is the capital upon which interest is computed.

5074. Without selecting any particular year, be so good as to state to the Committee, upon the average of years, what has been the profit upon the cost price?—I have not the materials at present for stating it, but such an account can be furnished if the Committee desire it.

5075. On referring to the account of the upset price at which the tea was put up in the year 1823, and the price at which it was sold, there appear to be these results: the putting up price of bohea in 1823 was 1*s.* 6*d.*, the sale price 3*s.* 6*d.*; for congo, the putting up price was 2*s.* 2*d.*, the sale price 2*s* 6$\frac{5}{10}$*d.* There is another quality of congo, which was 2*s.* 4*d.*, the sale price 2*s.* 7$\frac{8}{10}$*d.* Of twankay, the putting up price was 2*s.* 5*d.*, the sale price 3*s.* 5$\frac{5}{10}$*d.* Of hyson-skin, the putting up price 2*s.* 6*d.* the sale price 3*s.* 5$\frac{3}{10}$*d.* Hyson, the putting up price 4*s.*, the sale price 4*s.* 9$\frac{8}{10}$*d.* Were these prices in your contemplation when you gave your answer to a question lately put?—I believe I stated in my former answer, that the calculation had reference to the sales of 1829-30, and that I was perfectly aware that in most of the earlier years there had been much greater profit.

5076. Could you furnish the Committee with a statement of the average profit for the whole period from 1814 to the present time?—Certainly, if the Committee wish it.

5077. In the year 1827-8, the prime cost of the tea is stated as £1,981,419; are the Committee to understand that that is the prime cost of the tea to the Company?—I apprehend that that is the invoice cost, and therefore it includes freight and charges upon the outward consignments.

5078. If the Company sold that tea so as to produce the exact sum of £1,981,419, they would be neither gainers nor losers?—The prime cost in the statement showing that amount

11 May 1830.

J. C. Melvill, Esq.

does not include interest or insurance. It is only in the upset prices that these items are comprised as actual charges.

5079. What is meant by giving the Committee a paper, in which this is stated as the prime cost, if it does not include every thing?—I did not prepare that statement; but I have no doubt it was framed for the purpose of giving all the information that it was supposed to be the wish of the party who called for the account to obtain.

5080. Does it include every thing but interest?—It neither includes interest nor insurance, nor freight on the homeward consignment, nor charges of merchandize in England.

5081. If the Company had sold their teas for £1,981,419, they would have exactly cleared themselves, without either profit or loss, with the single exception of interest?—The freight upon the homeward investment is not included in that account.

5082. It appears that in the year 1828-9 the actual sale amount was £3,286,272; must not the difference between the one sum and the other be the amount of the profits of the India Company upon that adventure, always excepting the charge still to be made of interest?—The interest, the freight, and the ordinary commercial charges at home, such as are exhibited in the profit and loss accounts.

5083. Will you look at the account of profit and loss upon the trade of the East-India Company for the last ten years from China, and you will see that the total cost of the teas for ten years was £25,681,320; do you consider that to be a fair statement of the total cost of the teas to the Company?—Provided interest and insurance be added, which are not included in the profit and loss accounts, as they are not actual outgoings.

5084. So that, if the Company had sold their teas for that precise sum of £25,681,320, they would have exactly cleared themselves, with the exception of interest and insurance?—Clearly.

5085. It appears by the same account that they did actually sell those teas for the amount of £35,960,064, leaving a profit upon that transaction of £10,278,744?—Clearly.

5086. Is not that, in round numbers, a profit of about 40 per cent.?—It is.

5087. In what manner do you reconcile this account with the statement you have before given of the small amount of profit said to be derived by the Company?—I apprehend the charge of interest and insurance would make a great difference; but undoubtedly one of the principal causes is, that the Company, in common with other traders, have suffered a great diminution of profit. Their profits, as I before said, were much lower in 1829-30 than in former years.

5088. Does the first column of prime cost calculated at 6*s*.8*d*. per tale, include outward freight?—It does.

5089. You have stated, in answer to question 4297, that all the Company's consignments and remittances to China are made entirely with a view to, and do in fact terminate in, supplying the treasury at Canton with funds for a provision of tea; are you aware that the principal object of British merchants, in the opening of the trade with India in 1814 down to 1818 inclusive, was to furnish funds to purchase Indian produce for shipment to Europe, in the same manner that it is now the object of the East-India Company to furnish funds in China for their investments of tea; and are you further aware that since 1818 down to the present time, the nature of that trade to India has entirely changed, in consequence of the extensive demand for British manufacture in India, the purchase of Indian produce, in the place of being, as formerly, an object desirable as profitable investment, being now become a means of remittance?—The Company have the most convincing evidence of the increasing difficulty of finding the necessary means of remittance from India, caused in great measure by the demand of returns for exports to that country.

5090. Was it not from 1814 to 1818, and at anterior periods, a difficulty of an opposite description; namely, a difficulty of creating funds in India to pay for the articles sent out?—Not from 1814 to 1818, so far as the Company were concerned. Their difficulty has been in obtaining remittances for the funds belonging to them in India.

5091. The question refers to private merchants?—I am not acquainted with the private trade; I know that bullion used to go to India in much greater quantity than it does now.

5092. Do not you know that now the difficulty is to find the means of remittance from India, whereas before the opening of the trade, and for the first few years after that opening, with reference to the private merchant, the difficulty was to find the means of creating a fund in India for the payment of goods to be brought from that country to this?—I know that the difficulty now is the finding means of remittance from India; but I do not feel myself competent to say what difficulty of an opposite kind may have been experienced by private merchants.

5093. Do you not then think that, under those circumstances, if the monopoly of the Company's trade to China were discontinued, the importation of tea into this country would soon assume the same character as the importations of cotton, foreign coffee, saltpetre, and other Indian products in the India trade?—I think there is a great difference between the trade with India and the trade with China. Whatever success may have attended the endeavour to export British manufactures to India, it by no means follows that the same result would attend a

11 May 1830. free trade to China, because the introduction, more extensively than at present, of such articles, would depend upon local regulations. We have controlled such regulations in India, and have thereby interfered with the native manufactures; but we could not exercise any such control in China.

J. C. Melvill, Esq.

5094. In point of fact, have not the Americans already, in their trade to China, in a great degree produced such a state of things; namely, a large importation of produce of other countries, and a consequent low price of tea?—I have heard that latterly the Americans have resorted to the practice of exporting British manufactures and produce to China; but I have only learned that fact from the evidence given before this Committee. It had been my impression that the principal exports of the Americans to China were dollars; and I still think that, upon the whole, dollars have to them proved the most profitable mode of paying for their teas.

5095. Supposing the Chinese to manifest the same disposition to consume British manufactures, either from their cheapness or their superior quality, or from any other motive, which the natives of India have manifested since the opening of the trade to India, would not the same result probably arise in the interchange of commodities between the two countries; namely, a very great increase of the export trade of this country, and a greater demand in China for the produce of that country, attended with the lower price probably of the article?—It might have such an effect; but to the extent that it had, India would suffer by an abridgment of the means of remittance of that portion of the Indian revenues which is expended in this country.

5096. Assuming that the Chinese will consume our manufactures, do you think that if they do consume them they would not find a means of remittance in the increased supply of tea and other articles from China?—They must certainly give something in return for whatever they took from us; but that something would not augment the channel of remittance from India; besides which, how would the difference of exchange be made up to the Indian community which they now derive from the profits of the Company's trade.

5097. Supposing the same supply of opium and other commodities to go from India to China, or supposing that supply to be increased, would there not be the same funds created as means of remittance?—There might be the same funds created as means of remittance, but they would not be applicable to the same object. The funds that are now created as a means of remittance to the Company form the source from which they derive that profit from which the inhabitants of India now get a benefit, which they could not obtain in any other mode, unless directly from the people of England.

5098. Do you mean to state, that if 10,000,000 of dollars

were raised in China by a quantity of opium sent from India to China, those 10,000,000 would not create a credit, out of which a remittance to that amount might be made to this country, whether by private trade or by the Company?—There can be no doubt of it; and the Company already avail themselves of that credit for the purchase of two-thirds of their teas.

11 May 1830.

J. C. Melvill, Esq.

5099. You stated in your former evidence, that the average period that the Company's tea remains in their warehouses is twenty months, and that the charge of interest which the Company makes under the Commutation Act is for eighteen months; and you further stated your opinion that were the tea to remain in warehouse for a shorter period than eighteen months the provision of the Commutation Act, in sec. 5, would not be complied with: are you not of opinion, that the keeping of five or six months' stock of tea in the Company's warehouses, added to the quantities ordered and not arrived, as stated in the statute, would have been a sufficient compliance with the intention of the Legislature; and would not the keeping of such stock have enabled the Company to supply the public with a cheaper and fresher supply of tea?—I am clearly of opinion, that if the Company had so reduced their supply, the Act would have been infringed. I have read the Act deliberately since yesterday, and considered it well; and it occurs to me, that to suppose that the Legislature meant that the Company should consider as on hand the quantity of tea ordered but not in warehouse, is to assume that the Company might have their warehouses completely empty. I think the Legislature, looking at the uncertainty and liability to interruption which, especially in early years, was felt to attach to the China trade, must have intended to guard against the contingency of a failure of supply. And I would respectfully submit to this Committee, whether supposing that, at the present moment, instead of the subject of discussion now before them, they were inquiring into an allegation that the Company had infringed the law, the China trade being interrupted, and no tea being in the warehouse, the majority of men would hesitate to pronounce an opinion, that, under the Act in question, the Company were bound to do what they have done.

5100. Would not the intention of the Legislature, which was that there should always be twelve months' supply beforehand, have been complied with, by having always six months' supply in hand over and above the supply coming in?—I think it would not. The Act provides a minimum, and states the object to be that of having a stock always beforehand.

5101. Does it not frequently happen, in consequence of the present system, that the tea is sometimes two or three years in England before it is sold?—I think not. It is not within my department; but from what I have heard, I should suppose it

11 May 1830.

J. C. Esq

has very rarely happened that tea has been so long as two years in warehouse. There may be cases in which tea, rejected at a sale, and then put up without price at the following sale, has been kept more than two years. The interest is never charged beyond the eighteen months.

5102. In point of fact, at the last March sale, were there not teas put up and sold that were imported in March, April, and May 1827?—I am not aware of the fact.

5103. Could you ascertain that?—Certainly.

5104. When you spoke of teas being rejected, you did not mean rejected for their quality, but rejected because the quantity is superabundant?—They are offered for sale at the upset price, and nobody bids for them; but I cannot possibly say why individuals do not bid.

5105. Then they are put up again and sold without reserve?—Yes; and there have been instances in which teas rejected at one sale, when put up at the upset price, have been put up at the succeeding sale at no price, and have fetched more than the price at which they were first put up.

5106. Can you state to the Committee what reduction in the upset prices of bohea and congo has been made by the Company in the forty years which have elapsed from the year 1784, when the upset price was fixed by the Commutation Act for the four first sales afterwards?—I cannot. I have seen such a document, but I have not got it by me; it can be furnished to the Committee for every year.

5107. Has the reduction in the upset price of tea since the year 1814 kept pace with the general reduction in the price of other articles of importation from foreign countries?—My impression is, that there has been a less reduction in the price of tea than on that of other articles, but that there has also been a less rise; I think there have been less violent fluctuations in the price of tea than in that of other commodities.

5108. In point of fact, whatever have been the circumstances and changes in the value of money, or otherwise, that have so greatly lowered the price of all articles of foreign import, the price of tea has not lowered in the same proportion?—Perhaps not; but I think it would have, if the price had also risen in the same proportion.

5109. As far as the price was affected by the exchange and the value of money, must it not have risen in the same proportion, because the upset price was always determined by the prime cost at Canton?—What I mean to say is, that so far as I am informed, the rise and fall in the prices of tea were not so considerable as in those of other articles.

5110. You have also stated that the profit was much larger at the period in question?—It was.

11 May 1830.

J. C. Melvill, Esq.

5111. Ought not then the upset price to have fallen still more in consequence of the profit being so much reduced as it has since been?—The upset price is not regulated by the profit.

5112. Does not the upset price now include the lower rate of exchange, and the import charges?—It does; the upset price has doubtless been affected and reduced by the reduction in the prices at which the Company provide their outward consignments to China, and by the reduction in the rates of exchange at which their bills have been negotiated.

5113. In point of fact, do you think that any other article of merchandize in general trade can be pointed out in which the reduction has been so inconsiderable as in tea since the year 1814?—I really am not sufficiently conversant with merchandize in general to be able to speak to that.

5114. You have stated that the sending of merchandize from India to China was an encouragement to the trade in one important article of Indian produce, namely, cotton; can you state what has been the loss to the Company on the average of ten years, ending 1827-8, upon this branch of their trade?—The profit and loss accounts will probably shew that, though they include sandal-wood as well as cotton.

5115. Admitting that that trade is carried on at an average annual loss to the Company, do not you consider that the persevering in a trade which is attended by a yearly loss is more likely, by deranging the necessary relation between supply and demand, to prove a discouragement than an encouragement to the trade in any article of merchandize?—As a general principle, that may be correct.

5116. Do you think it is so in this particular case?—In that particular case the result is arrived at after adding the Company's freight.

5117. Are you not of opinion that in whatever degree there might exist an effective demand for cottons in the Chinese market, that demand would be naturally supplied by the merchants of India?—I have no doubt of that.

5118. Then is it desirable that the Company should waste their funds in such a trade?—They do not waste their funds, because the freight upon the ships must be incurred at any rate; and deducting that freight, which, but for being put upon the cotton, would come upon the tea, the Company, by their cotton transactions, realize the tale at a lower rate than they would by bills; and therefore, so far as the upset price of tea is concerned, it is clear that the Company's consignments of cotton are advantageous.

5119. Although at one period they did realize a lower rate than by bills, would they do so now?—The last two or three

11 May 1830.

J. C. Melvill, Esq.

years they would not; but upon the average of years they would.

5120. Supposing the same trade, to the same extent, to have been carried on by private individuals, would not imports be created in Canton to the same amount?—Yes; but the tale would be more highly valued, because the sending of cotton is one mode of reducing the expence of the freight upon the tea.

5121. Then, supposing the freights of the Company to be much higher than the freights of individuals, would not that affect it?—That would affect it, undoubtedly; but the Company's freights depend upon the law which regulates their shipping.

5122. You stated, in answer to questions 4326 and 4327, that the most disadvantageous mode which the Company could adopt of providing funds for the purchase of teas was by sending British manufactures to China; and further, that the Company have always been desirous, from policy, of exporting the produce and manufactures of this country to places to which they have an exclusive privilege of trading, and that they have felt themselves under something like a moral obligation to do so. Are you aware that, during the last twelve years, the export of British manufactures by the Americans to China has greatly increased, whereas since the commencement of the present charter the export of the East-India Company has diminished?—I have not by me the particulars of the American trade. I see, by the statements that have been submitted to this Committee, there has been an increase in their exports of British manufactures, the amount of which, however, falls far short of the quantity exported by the Company.

5123. Has not the quantity exported by the Company been diminished?—I rather think that there has been no material decrease in the quantity; the value is of course less.

5124. Can you suppose that when the Americans have been increasing their exports they could be actuated by any other consideration than a view to their own interest?—I should think that no merchant would export goods that he did not expect to make a profit upon; but as to any comparison of the Company's exports with those of the Americans, it would be desirable to ascertain the result of the Company's consignments in the years 1828-9 and 1829-30. Information has been received, from which it may be inferred that the Company's consignments of those two seasons will prove one of the best modes of remittance that the Company have adopted; and it is not unlikely that some of the favourable statements which the Committee have received of the American exports may have reference to a later period than those yet made up of the Company's.

11 May 1830.

J. C. Melvill, Esq.

5125. In point of fact, you have stated that hitherto it has been the worst?—It has hitherto, upon an average of the years since 1814-15.

5126. Supposing it should turn out that the best mode which the Company can now resort to of creating funds in China is the export of British manufactures, whilst that export is also increasing through the channel of American commerce, would it not lead to the inference that the Chinese are become more disposed to consume the manufactures of this country, and thereby to afford a greater facility to the extension of their trade?—The improvement has probably arisen from the low rate at which the goods have been purchased here. There can be no doubt, if the fact should be established that a profitable trade is carried on with China in British manufactures to a larger extent than used to be, and that such should continue to be the case, that that will show an increasing demand for them.

5127. Will not the benefit of that fact have been principally supplied by the enterprise of the American private trade?—I cannot say that I think the American trade has reference particularly to late periods. There has been a great depression of the prices of manufactured articles in this country, and I believe the profit upon them will in consequence be large this year, and that it has been large in the last year; but that will be the case with the Company's consignments, as well as with those of the Americans.

5128. If there should be a favourable result, should you attribute it to the fall of prices of British manufactures?—I should think principally. I would explain, upon the subject of British manufactures, that the chief loss which the Company would appear to have sustained has been in articles made of *British* wool, and that the obligation under which the Company have felt themselves has been to protect that trade in particular. In articles made in England of *foreign* wool, the remittances have upon the whole been rather profitable than otherwise.

5129. You stated, in answer to question 4330, that the insurance is charged by the Company at the rate of three per cent. It has been given in evidence to the Committee, that the ordinary rate of insurance for sea risk on the voyage to or from India is from two to two and a half; and it is further stated, that the risk in the Company's ships is smaller than in any other class of vessels; does not the enhanced rate charged by the Company add to the upset price of the teas?—I am satisfied that if the Committee will be pleased to call for further information upon that subject, they will find that that which has been given in evidence is incorrect. I had an opportunity of conversing with one of the most experienced members of Lloyd's, who has been there more than forty years, and who states that he is prepared to give it in evidence to this Committee that the

11 May 1830.

J. C. Melvill, Esq.

ordinary rate for insurance at the present moment upon a Company's ship is three per cent. out and three per cent. home, that is, six per cent. for the whole voyage.

5130. What is the actual loss of the Company by sea-risk?—It is very inconsiderable indeed; I believe not above three-quarters per cent.

5131. So that the difference between the three-quarters per cent. and the three per cent. you consider to be the profit to them as underwriters?—Certainly.

5132. Do the Company always insure their own ships?—They are their own insurers in all cases.

5133. You have stated that there has been a greater fluctuation in the price of other articles of merchandize than in that of tea; do you give that answer after an examination of the facts of the case?—No, it is from what I have heard.

5134. Are you aware of the average price of pepper during the period in question?—I have no information upon that subject.

5135. Are you aware that a part of the fall in price of those articles arises from the circumstance of their being considered as a consignment from a foreign country, and the profit upon the whole transaction, including freight, falling in a great measure upon the outward cargo from this country?—I am not aware of that being the case; but it certainly would not do for the Company, if they are to meet the obligations imposed upon them, to import their teas without realizing any profit upon them.

5136. In answer to a question upon the subject of the export of British manufactures from this country to China, you made a distinction between the quantity and value of those manufactures; and you stated that, although the value of the Company's exports of that description had decreased, the quantities had not decreased; does it not appear, by this account, that there has been a considerable decrease in the quantities—[*A printed Account being shewn to the witness*]?—This account is made up only to 1827-8. In that year there was a decrease in woollens and an increase in metals.

5137. Is not the amount of the metals and other articles very inconsiderable, compared with that of the woollens?—It is.

5138. Do the Company charge three per cent. on the export of bullion?—No; they do not.

5139. Are you not aware that bills on the Court of Directors and the Government of India, have for several years been in great request at Canton?—I dare say they have. I have no doubt that individuals in India would be very glad to avail themselves of that mode of remittance, if the treasury were regularly open for cash in exchange for bills.

11 May 1830.

J. C. Melvill, Esq.

5140. In fact, if there be such demand for bills at Canton, is it not probable that there would be less difficulty than you appeared to apprehend in providing so large a sum as two millions sterling?—I think two millions sterling is a large sum to provide; and I have seen nothing in the documents received from China which induces me to think that the supercargoes suppose that they could negotiate bills to that extent annually; at the same time, if the treasury were regularly open, no doubt a large sum would seek remittance to England in that mode, but that would interfere with the operation of the Company's system as prescribed by law.

5141. In point of fact, with the increased demand on the part of the Company, and with the greatly increased demand on the part of the Americans and other foreigners trading to China, has not the exchange been regularly falling from 5*s.* 6*d.* to 3*s.* 11*d.* the dollar?—3*s.* 11*d.* is a rate I have seen quoted in the Canton Register; but I have seen against it "No bills."

5142. Has not it been affected by the price of silver in Europe?—That has affected it, no doubt.

5143. Do not the words "no bills" mean that at the price of 3*s.* 11*d.* or 4*s.* there are no bills offered?—I think it really means that there are no persons ready to grant the bills.

5144. Then the fact is that at Canton, at the date of this price-current, you might have the dollar for 3*s.* 11*d.* if you were disposed to give a credit upon London by a bill drawn upon London?—To some extent; but the low rate quoted may have been caused by no bills being obtainable. Had bills been offered, the rate might and probably would have risen.

5145. Then the exchange has fallen from 5*s.* 6*d.* to 3*s.* 11*d.* notwithstanding an increased export of productions of China?—It has materially fallen.

5146. And this fund might have been created without producing any of those effects which you apprehended would arise from a demand for two millions sterling?—My apprehension as to a demand in China for two millions sterling was, that the Company, compelled as they are by law to secure the public from failure in the supply of tea, could not with safety trust to that mode only for obtaining their funds in China; and nothing that I have heard has tended to remove that apprehension.

5147. Are you aware that in eleven years, from 1817-18 to 1827-8, the value of Indian opium sold at Canton alone, without including other quantities deposited in the other parts of China, has increased from 2,951,100 Spanish dollars in the first of those years to 11,243,496 in the last of those years?—I know that

11 May 1830.

J. C. Melvill, Esq.

there has been a great increase in the price which opium has fetched in Canton; but I have understood that that price has greatly fallen, and that by the last accounts it was still decreasing.

5148. Are you also aware that the exports of Chinese merchandize have been far from keeping pace with this extraordinary increase of exportation of opium?—I am aware that there has been a remittance of bullion from China to India every year to pay the balance.

5149. Does not the large remittance of bullion from China to India to pay the balance explain the temporary falling off in the supply of opium from Ind'a to China; and does not it, in fact, show that the state of the trade now from China with other parts of the world is one in which they want the means of remittance, in order to pay for the great quantity of opium and other articles that they consume?—It would appear that the Chinese cannot make returns in merchandize for all that they take.

5150. Then the result is, that in proportion to the consignments made of opium and many of those other articles, there will be greatly extended facilities given to the Company, or any other parties trading with China, for making remittances to India, and from India to Europe?—To India, certainly; and the Company avail themselves of that resource to the extent of two-thirds of what they want.

5151. Are you not of opinion that if the Chinese could find increased means of remittance, they would consume a further quantity of opium and other goods from India and this country?—No doubt; but with respect to the opium trade, considerable uncertainty attaches to that, on account of the rigour that every now and then bursts out on the part of the government to check that contraband trade.

5152. When you see the consumption of one article increasing, in the short space of ten years, five-fold, is it not a strong presumption that that increase is likely to be still more extended, if it be not interfered with by some over-ruling authority?—It may in that period have reached its maximum.

5153. Can you state the amount of dollars and silver that was remitted to Bengal in the year 1828?—Such an account has been prepared, but I have not got it.

5154. In point of fact, did it exceed 5,000,000 of dollars?—I am not aware.

5155. Have you seen the price-current in the Canton Register of the 26th of February 1828?—I have not.

5156. Are you aware that in the price-current it is stated, that the export from Canton to India for the season 1827-8 amounts in bullion to 5,667,979 Spanish dollars?—I am not aware of that fact, but I have no reason to doubt it.

5157. And that, besides, the Company's Factory drew bills on the government of India to the extent of 1,700,000 Spanish dollars ?—Very probably that was the case. 11 May 1830.

J. C. Melvill, Esq.

5158. Have you seen the Chinese price-current of the 4th of February 1828 ?—No.

5159. Then you are not aware that it states that the exports of bullion this season have been to a very large amount, and that in consequence of the low rates of exchange many had been induced to make their returns to India and Europe in metals, iron, lead, and steel, to the extent to which they were procurable ?—I certainly was not aware that there was such proof of the difficulty of effecting returns from China to Europe.

5160. Does not this fact show that there is a very great change in the trade with China; namely, that apparently the Chinese are embarrassed to find remittances in payment of the articles which they consume from India and from Europe ?—It would undoubtedly show great difficulty in making returns.

5161. Especially, too, if they have been driven to the necessity of sending goods imported from Europe to market as a means of payment ?—Clearly. I certainly was not before aware that goods imported into China from Europe had been re-exported.

5162. Does not the difficulty of remittance from China to India equally apply to other parts of the world; because, if the remittance be made through India, it would equally extend to other parts of the world ?—It would.

5163. Would not the cheaper price of tea, inducing a great increase of consumption in this country, afford the Chinese the facility for a greater remittance than they now have ?—It would undoubtedly give them a greater remittance.

5164. Suppose, for instance, that instead of 30,000,000 we consume 60,000,000 of tea, would not the Chinese have the means of paying for a greatly increased quantity of European mechandize, or of the produce of India, whichever suited their taste to consume ?—Undoubtedly; but if the larger quantity of tea were sold to the consumers only for the same sum that is now given for the smaller quantity, there would be no more than there now is to expend in British manufactures.

5165. If there is double the quantity of tea sold, will not that give them a double power of consumption ?—The more the Chinese can give, the more they can take in return.

5166. The Committee called for a return of any accounts or estimates which have been transmitted to the Lords of the Treasury under the Commutation Act, showing the sales made, the quantities put up to sale, and the prices and other particulars referred to in that Act, for the last five years; the answer to that requisition has been, that no such accounts have been

11 May 1830.

J. C. Melvill, Esq.

sent to the Treasury; are you of opinion, looking at the fifth section of the Commutation Act, that it does not require such accounts?—That clause has always been construed to mean that the Lords of the Treasury were to have these accounts when they required them.

5167. Is that the construction that the words imply?—I think it was at least as obligatory upon the Lords of the Treasury to call for the accounts as upon the Court to furnish them.

5168. The words are, "That the said United Company shall, from time to time, lay before the Lord High Treasurer, or the Commissioners of the Treasury, copies of the accounts and estimates upon which such orders for importation, or prices for sales, or quantities put up to sale, shall be grounded, whenever such orders shall be sent out, or as often as they shall be called upon for the same by the said Lord High Treasurer or the Lords of the Treasury." Is not the natural construction of these words, that those accounts are to be regularly sent whenever those transactions take place?—That would have been my construction, if the word had been *and* instead of *or*, but there is an option given. The last clause would not have been necessary if the first had been imperative.

5169. Does the East-India Company, insuring itself, pay any duty to the stamp-office for their insurances?—None at all. The Company do not insure.

5170. You stated yesterday, that if the trade to China were thrown open, and the Company continued to carry it on in competition with the private trade, you thought, with all the advantages they possessed in starting, they might continue that competition: have the Company, with all the advantages they possessed at the opening the trade with India in 1814, been able to sustain their competition with the private traders?—With respect to that, I stated yesterday the Company's trade from India since 1814-15 had realized to them a better remittance than the bills of private merchants; and I would now state that the Company have been and are compelled to make the trade of India a trade of remittance. They must bring the rupee home from the government of India, and get what they can for it; I cannot therefore look upon the Indian trade as one that the Company can conduct upon mere mercantile principles; besides which, in judging of the results of the Company's Indian trade, the Committee will not fail to bear in mind that the accounts include the loss by the Board's rates of exchange.

5171. Have they made a profit independently of that arbitrary valuation of the rupee?—I think that upon the average, since 1814-15, if the accounts were made up at the mercantile rates, it would appear that the Company had made a profit upon

11 May 1830.

J. C. Melvill, Esq.

the Indian trade. In some of the earlier years they made a very large profit. The account upon the Committee's table embraces only ten years; if they will call for an account for the whole period since 1814-15, I think they will perceive a much more favourable result.

5172. Supposing the exclusive trade with China were taken away from the East-India Company, but that they still continued to carry on that trade as a Company, and supposing that by carrying on that trade it were considerably more divided than it has been, would not the increased competition in the China market give an opportunity to the Chinese to raise the general prices of their tea?—I have no doubt that it would do so; and I think that an opinion to that effect has been given in evidence before this Committee by persons who are conversant with the Chinese character and the Canton market.

5173. Supposing the Indian products were considerably improved in quality, and produced in a larger quantity in India, would not that tend greatly to obviate the difficulties which you now find in obtaining remittances from the East?—If you can find a market for them, a profitable extension of exports from India is, in my humble judgment, an object the attainment of which is most desirable.

5174. Would not cotton constitute a considerable portion of these remittances under the circumstances supposed?—It might.

5175. Would not there a market be found for that cotton?—The cotton of India comes into competition with Egyptian cotton, and other cottons which, although as cheap in their production, are probably superior to it in many respects.

5176. Do not you think that the staple of the cotton might be considerably improved, so as to make it equal to other cottons?—I think it is very much to be desired that every practical improvement should be effected.

5177. Has not the Court of Directors taken special pains in directing the attention of the government to that subject?—They have.

Jovis, 13° *die Maij* 1830.

ROBERT RICKARDS, Esq. again called in, and examined.

13 May 1830.

R. Rickards, Esq.

5178. HAVE you had an opportunity of examining the statements delivered in to this Committee by Mr. Melvill, and his observations on the statements laid by you before this Committee?—I have examined them, as far as the leisure I could devote to it would admit.

5179. Will you turn to question 4359 of Mr. Melvill's evi-

13 May 1830.

R. Rickards, Esq.

dence, which relates principally to the prices of tea, and state what observations you have to make upon his answer respecting the price being charged too low by you?—Mr. Melvill, in his remarks upon my statement, seems to think that I have taken the price of tea in China at too low a rate. He says, "Mr. Rickards computes the prime cost of tea in the coin of China very far below what is taken either by Mr. Bates or Mr. Thornley, and so far below what is actually paid by the Company, that I cannot imagine that the Company could have obtained teas at the prices computed by Mr. Rickards without a deterioration in quality." The prices included in the statement I delivered to the Committee in my answer 3454*a*, p. 429, to show at what rate a private merchant could import tea into this country at a profit, are the prices, I presume, to which Mr. Melvill alludes. Those prices may be lower than the Company's, but they are the prices at which private merchants and individuals are constantly in the habit of purchasing their teas in China, and even at a lower rate. It is very certain that whenever the Company go into the market to purchase any commodity, prices rise; and this appears in the present instance to be the case, as the China price-currents will show; for in every year, from the month of October to the month of January, the period of the Company's ships being in China, prices are at the highest; after that they fall. I have a price-current which states, in the month of May 1829, the price of congo tea (the chief article of import) to be from 18 to 20 tales per pecul. Private merchants profess to be in the habit of purchasing equally good tea at 18 tales per pecul with that of the Company, which is charged at 26 tales per pecul. I have taken it in my statement at the medium between 18 and 26, namely, 22 tales per pecul, deeming it a fair rate for such a statement as that which I submitted to the Committee in my answer 3454*a*, p. 429, and which I take to be the statement here referred to.

5180. You are speaking of corresponding qualities of course?—I am speaking of a corresponding quality, because I have repeatedly heard of tea which has been purchased in China at 18 tales per pecul selling here at the same rate, and sometimes higher than the Company's tea of the same denomination.

5181. Have you heard or are you able to assign any reason why private merchants should be able to purchase their tea on better terms than the Company do?—Private merchants will always make better bargains than the Company's agents can; and, as far as my observation goes, their purchases are generally made at the rate I now mentioned: I believe the Americans do the same. In what is called the season, that is, from October to January, when the Company are in the market, and when their ships are loading for Europe, the teas are, as before observed, quoted invariably in the Canton price-currents at much

higher prices than they are the rest of the year; congo, for example, is generally quoted at 26 tales per pecul, and immediately after the season closes it falls to from 18 to 20, and so continues for the remainder of the year. After the season closes, the tea is commonly denominated old tea, in contradistinction to the tea purchased during the season, which is called new tea; but the old tea is, generally speaking, fully as good as what is denominated new tea, or as that exposed at the Company's sales; and for this simple reason, *viz.* that although it might be somewhat older tea in China than the Company's when purchased, yet when it comes to this country in the privilege of the commanders and officers of the Company's ships, it is sold immediately on arrival, whereas the Company's tea is kept, according to Mr. Melvill's statement, upon an average of twenty months in warehouse before sale; therefore the Company's tea, when sold, must be fully as old, or perhaps older, than what is called old tea purchased by the Company's officers in China.

5182. Are the Committee to understand that during the large purchases made by the Company in the few months of the year the prices are raised by that demand?—The price-currents of China invariably show a rise at that period.

5183. Are you able, from any of the documents on the table of the Committee, to state the relative sale prices in England of the private trade tea, and of the tea sold by the Company, taking the congo as an example?—According to the Account No. 15, in Paper 6 of the papers delivered in to the Committee in 1830, it appears that the price of the Company's congo tea at the June sale of 1823 was 2*s.* 7$\frac{3}{10}$*d.*, the private trade tea in the same sale sold for 3*s.* 8$\frac{4}{10}$*d.*; in the congo tea there is a difference throughout the whole of those sales, from the cursory view I now take of it, rather, I should think, in favour of the private trade, though I do not perceive any instance of so great a difference as in this June sale.

5184. You are aware that the Company purchase a large portion of their tea by contract made with the tea merchants previous to the season?—Yes.

5185. Have the officers of the Company's ships any other means of purchasing than going into the public market the same as foreigners?—No other that I am aware of.

5186. Therefore none of the private trade tea can be contract tea?—I am not aware how private traders make their bargains on all occasions. Some of the purchases made by private individuals are, as I understand, taken from the Hong, and some from the outside merchants. I do not myself know of any contracts entered into by individuals similar to those of the East-India Company.

5187. And although the tea belonging to the officers of the

13 May 1830.
—
R. Rickards, Esq.

Company's ships is not contract tea, yet by the sale prices you have stated it sells in England at a higher price than the Company's tea?—So it appears on some occasions, at least by this statement.

5188. Are you able, from any communication with officers who have been at Canton, to state whether the prices they pay for their tea are higher or lower generally than those quoted in the price-currents, or stated by the Company to be their average price?—They are almost invariably, I believe, lower than the prices quoted in the Canton price-currents between the months of October and January in each year.

5189. Will you look at some of the other years, and see whether the private trade tea sells at prices above or below the Company's sale prices?—In the June sale of 1824 the Company's congo sold at 2*s.* 6*d.* a pound, and the private trade tea at 2*s.* 10*d.* In 1825 the Company's congo sold at 2*s.* $5\frac{2}{10}$*d.*, and the private trade tea at 2*s.* $8\frac{6}{10}$*d.* In June 1826 the Company's congo is quoted at 2*s.* $2\frac{7}{10}$*d.* and 2*s.* $4\frac{9}{10}$*d.*, and the private trade tea at 2*s.* $1\frac{6}{10}$*d.*

5190. Will you state the result in December 1826?—In the December sales 1826 the Company's congo is quoted at 2*s.* $2\frac{7}{10}$*d.* and 2*s.* $5\frac{7}{10}$*d.*, and the private trade tea at 2*s.* $3\frac{7}{10}$*d.*

5191. Are you able, by looking at those accounts of sales of tea in this country, both Company's and private trade tea, to say whether, on an average, the private trade tea sells at an inferior price to that of the Company?—I have not made any calculation founded upon this account, as to the average price of the tea sold by the Company and that sold by private individuals; but, on a cursory view of this document, it appears to me that what I before stated, in answer to the questions that have been put to me on this subject, is confirmed, and that the private trade tea, upon the average, sells at as fair a price as the Company's tea in this market, and in some instances it has been found to sell higher.

5192. Do you mean relatively to its quality?—I have given my reasons for presuming that the quality of the private trade tea is not inferior to that of the Company.

5193. Are the Committee then to conclude that the evidence given by you at your first examination, as to the prices of tea, is fully borne out by these documents before the Committee, and by the information from private merchants, and is not erroneous, as stated in Mr. Melvill's evidence?—It is fully borne out by the documents which I have referred to, including the Canton price-currents, as far as regards the prices I have inserted in the Statement delivered in in answer to question 3454*a*, and contained in page 429 of the Evidence.

5194. When you state that the private trade tea is sold at the same rates upon the average as the Company's tea, do you mean

to abide by what you first said, that it was sold at a higher rate; because you set out by referring to a particular year, in which you showed a great discrepancy, which discrepancy does not exist upon the whole average of years?—I referred, in the first instance, to the June sale of 1823, because it was the first column in this account which I was directed to examine and quote. In cursorily looking over the remaining sales, which are very numerous in this paper, it appeared to me that the average price of the private trade tea was upon the whole as high, and sometimes higher than the Company's; as, for example, in 1827, in the June sale, the Company's congo sold at 2*s.* $3\frac{7}{10}$*d.* and 2*s.* $4\frac{8}{10}$*d.*, while the private trade tea sold at 2*s.* $4\frac{6}{10}$*d.* There are certainly variations in the different sales contained in this account; but on the whole I do not see any thing that materially affects the evidence I have given on the subject of prices.

5195. Do you think upon the average they sell for nearly the same?—It appears by this document that they do.

5196. You have stated that the sales at the India-House, in general, have produced as good a price of the tea belonging to private trade as that belonging to the Company; will you be so good as to state to the Committee whether the tea purchased by officers belonging to the Company in China, and sold at the India-House, is the same quality of tea which is bought by foreign traders in China?—I cannot pretend to say what the exact quality of the tea sold at the India-House is, having never examined it, it not being in my way to deal in tea in any respect; but I have given reasons in the former part of my examination for presuming that the tea purchased in China, and sold by the Company's officers in this country, is of an equal quality with that put up at the Company's sales on their own account.

5197. Is it purchased in China at rates very much the same as those given by foreign traders?—I do not know what the Americans purchase their teas at. I can only judge from the regular course of the price-currents which I have quoted; and accordingly infer, that if British private traders can purchase tea at 18 to 20 tales per pecul, Americans may do the same.

5198. Is not then the inference from your answer, that the teas sold at the India House of the private trade must be equal to the teas purchased by the India Company?—I presume that they are equal, for the reasons I have already given.

5199. Can you state to the Committee whether the teas purchased in China by Americans and other traders are of the same quality as those purchased by the officers of the Company?—I have no precise knowledge of the quality of the tea purchased by Americans; but I have always had reason to suppose that the American teas purchased in China were of as good quality as those commonly sold in this country.

13 May 1830.

R. Rickards, Esq.

5200. Then if the fact were that the teas purchased by the Americans and others in China were of an inferior quality, would the statement which you have made to the Committee of the prices which have been obtained at the India-House for the teas of the private trade be any regulation to the Committee in forming their opinion?—I do not believe that the teas sold in America are inferior to those sold in this country; for I have generally understood from persons who have visited America, that they have drunk better tea in America than they have done in this country.

5201. If the price which the private trade tea bears in England, as compared with the price of the Company's tea, is any criterion of the comparative quality of the private trade tea, would not also the price of the tea bought in China by the private trade, compared with the tea bought by foreigners in China, also lead to a conclusion as to the comparative quality of those teas?—I have no precise knowledge of American prices, compared with the quality of their teas. I only know that during the season, which extends from October to January in each year, the tea is invariably higher from 20 to 30 per cent. than during any other period of the year; and therefore the teas of the same quality, congo, for example, that costs, during the season, 26 tales per pecul, will sell for 18 and 20 tales per pecul after the season is closed. If, therefore, one merchant can get it at this rate, I presume another can do the same.

5202. Is not that tea which is bought in the private trade in China, and which sells in this country at a price in many instances higher than the tea of the Company, very often tea which passes under the denomination of old tea?—Yes it is.

5203. Do not the persons entitled to the private trade purchase their teas in China at the reduced price which ensues after the Company's purchases?—I have understood that they purchase some portion of it, whilst some purchase the whole at the reduced price.

5204. May it not be presumed that much of the private trade tea is of that description?—I am not prepared to say that the greater part of it is old tea.

5205. Do you conceive that the captains of the Company's ships buy generally what is called the old tea or not?—Yes, they do, very often.

5206. Is it not probable, as the ships sail in December, that the captains of the Company's ships buy their tea at the same time that the Company does?—That does not always follow; because the captains and officers of the Company's ships may have correspondents in China; agents whom they can authorize to purchase teas for them when the tea is at the cheapest rate.

13 May 1830.

R. Rickards, Esq.

5207. If a foreigner at Canton purchases a quantity of tea at the same rate as a person in the privileged trade, does not the presumption arise that the qualities of those two portions of tea are equal?—Clearly.

5208. If a person in the privileged trade sells the tea which is so bought at a price equal to the price which the Company gets for its tea, is not it also a presumption that the tea which that privileged person sells is of as good a quality as that of the Company?—Clearly; it may be so presumed.

5209. Does not that lead to the inference, that the tea bought by the foreigner in Canton is of as good a quality as the tea sold by the Company in England?—I have always understood that the American tea is of equal quality, and sometimes superior.

5210. Is not that estimate of the qualities of the different teas an inference drawn from the prices which they respectively fetch at the Company's sales?—It is certainly a fair inference.

5211. You have stated that old tea is sold cheaper than the new tea in the Canton market; by the old tea is it meant tea that has been kept for a year, or only tea that has been kept over the period of the winter sales?—Only the tea that has been kept over the period of the winter sales. When the season closes, the tea is invariably called old tea, and sold as such, though only a month older than the other.

5212. Have you ever been in China?—Yes.

5213. From what source do you obtain your information as to the price at which the privileged tea is bought?—From various officers and pursers whom I have spoken to upon the subject in the city, and who have invariably given me the same information which I now submit to the Committee.

5214. Have you not had the sale of some tea?—Yes; some of the last season passed through our hands.

5215. Do the officers in the private trade invariably make their investments in tea at a period subsequent to the Company?—They have the means of corresponding with agents in China, and have therefore the means of making their purchases previous to their arrival, or before the season commences.

5216. Then the officers of the Company pursue the same custom that the Company do themselves, of making contracts for the teas previous to their being shipped?—They enter into engagements with the private merchants in Canton; but as to making regular contracts, I do not understand that they pursue the same course in that respect that the Company does.

5217. If they make engagements, would not those engagements fix the price?—Of course they will.

5218. What effect could the purchases of the officers of the Company have upon the market of China after the teas which

13 May 1830. — *R. Rickards, Esq.*

they have engaged for are furnished to them?—The effect produced on the China market by the purchases of tea will of course be limited by the extent of those operations.

5219. In answer to question 4359, Mr. Melvill has stated, that on examining the calculations that have been given in by you, Mr. Bates, and Mr. Thornley, he finds "that one fallacy attends most of them, taking the valuation of the tale according to the rate of exchange at the period of unusual depression;" will you state how far that objection taken by Mr. Melvill applies as to your statements?—Confining myself again to the statement included in my answer 3454*a*, p. 429, I have taken the value of the tale at 5*s*. 6*d*. and the value of the dollar at 4*s*.; now when the dollar is at 4*s*. the sterling value of the tale will be found by a simple rule to be what I have stated, 5*s*. 6*d*. and a small fraction. It is the rate which I have adopted in this statement, because I know that dollars can be procured in China at that exchange. I have myself placed many thousand pounds sterling in China at a lower rate per dollar than 4*s*.; and I know that private bills have been received in this country drawn at the rate of 3*s*. 10*d*. and 3*s*. 11*d*. per Spanish dollar at six months' sight; I therefore maintain that I am perfectly correct in respect to the prices which I have adopted in this statement, as well as in regard to the rate of exchange. I beg leave to add, in regard to the other statements which I delivered in, that they have no reference whatever to the rates of exchange, as I before stated in my first examination upon this subject. I took out of official documents the cost in pounds sterling, which I found there stated as the prime cost of the tea; and I considered that to be the actual cost to the East-India Company, without any reference to the rate of exchange between tales and sterling money.

5220. Was the exchange of 3*s*. 10*d*. to which you have alluded, established by direct draft from Canton upon England?—By direct draft.

5221. Would you rely upon such an exchange for the whole purchase of tea, if the quantity was as large as that which the Company requires?—It would depend upon the intercourse between China and this country; if the intercourse were extended, and there was a great number of bills in the market, the exchange would of course rise.

5222. By a statement laid before this Committee from the East-India House, it appears that, in the year 1827-8, the rate of exchange per dollar was 4*s*. 1½*d*. for six months, the sum drawn for appearing to be £16,129; can you state what has been the rate of exchange by bills from private merchants in that year?—I cannot precisely, without a reference to documents which I have not at hand. As nearly as I can now recollect, the private bills before referred to were dated the latter end of

the year 1828. They were drawn on a merchant in the city at 3*s.* 10*d.* or 3*s.* 11*d.* at the utmost. This too is the prevailing rate of exchange now quoted in China, and has been for some years past, I believe. 13 May 1830. *R. Rickards, Esq.*

5223. It appears also by the same account that, in the year 1828-9, the rate of exchange for the dollar was 4*s.* 2*d.*, and that £35,791 is the total amount of bills drawn by the Select Committee at Canton on England; does the observation you made respecting the rate of exchange by private bills apply to that year?—It applies to the bills I have before mentioned, which were drawn at 3*s.* 10*d.* or 3*s.* 11*d.* about the latter end of the year 1828; but it is within my knowledge also, that from the difficulty of procuring bills in China, private merchants have remitted funds through the way of America; and though by this circuitous route, and consequently from the longer time bills had to run, merchants have been able to obtain rather a better exchange, yet those bills even have only realized in this country about 4*s.*

5224. Then is the opinion you gave before the Committee as to the rate of exchange unaltered, notwithstanding the statement made in the evidence of Mr. Melvill?—Quite so, as regards private transactions.

5225. Have you made any inquiries, in the mean time, of other persons connected and acquainted with the trade to China, upon that subject?—I am frequently in the habit of conversing with people in the city of London upon the subject of China and the China trade, and I have never derived any other information from experienced persons on that subject except that which I now give to the Committee.

5226. Do you happen to know whether, in the two years 1827-8 and 1828-9, bills were in considerable demand at Canton? —Bills are always in great demand at Canton. They must be in great demand, from the existing course of trade; and the reason of their being at so low an exchange is, because there are so few bills to meet the demand.

5227. Is that difference as to the exchange between you and Mr. Melvill confined to the period of 1828-9, or does your view of it spread over the whole period of the last fourteen years?—I cannot speak to the whole period of the last fourteen years from recollection, and have no documents at hand to refer to; but this rate of exchange would naturally prevail as long as the demand for bills should so far have exceeded the supply.

5228. In your answer to question No. 3454*a*, in page 429, in computing the price paid by the Company for tea at an average price for the whole period of the present charter, you compute the value of the dollar at 4*s.*, whereas it is in evidence that the dollar in exchange has, during the greater part of that period,

13 May 1830.

R. Rickards, Esq.

been much higher; do you consider that, in order to make an average comparison, the prices of the tea and the rates of exchange should have reference to the same period?—I have taken the average price in that statement of the Company's teas at 2*s.* 9*d.* ·92 per pound, from the official document referred to in my answer, and now upon the table of this Committee; but this is the sale price in England. With regard to the rate at which dollars may be procured in China by private traders I speak, it is true, of the present time, but the rate at which dollars can be procured has reference to the cost price in China. All, therefore, that I mean to maintain in that statement is, that the tea may be procured at the prices which I have given, *viz.* so many tales per pecul.

5229. Do not you consider that the rate of exchange and the price of tea should be compared in the same year, and that if the exchange is averaged, so ought the price of tea to be?—For the "second" head of comparison contained in my statement, I know no fairer way of making the comparison than that which I have adopted, *viz.* by taking what the Company have themselves declared to be the average sale price of the tea for the whole period of the charter, or 2*s.* 9*d.* ·92, and to compare the result with that of the price at which I believe it can be sold in this country, *viz.* 1*s.* 6*d.*; and having in the "first" head of comparison taken the sale price of 1828-9 to compare with that included in my statement (the average price of the Company in that year being only 2*s.* 3*d.* ·97), they have therefore the advantage of the difference between 2*s.* 3*d.* ·97 and 2*s.* 9*d.* ·92 in the "first" comparison.

5230. Do not you consider that if the average of the period be taken with reference to the exchange, for the purpose of computing the upset price of the article, the average of the price should also be taken for the same period?—I have taken the price in my Statement at which tea can now be purchased, that is, in the year 1828-9, and compared the resulting sale price in this country, "first," with the average price of the Company's tea in 1828-9, or 2*s.* 3*d.* ·97; and "secondly," with the average sale price of fifteen years, or 2*s.* 9*d.* ·92. Had I taken the average price of many single years previous to 1828-9 to compare with the sale price of my Statement, it might justly have been objected to; the result or comparison given in the Statement would, in that case, be more unfavourable to the Company; but I do not exactly comprehend what connection is supposed to exist between the rates of exchange in China and the sale price of tea in this country.

5231. Do you consider the rate at which bills may be negociated at Canton a fair test of the rate at which the Company could purchase their teas, to the amount of £2,000,000 a year?—The rate of exchange, in such a case, would depend upon

existing circumstances. It may be impossible for any body to say what would be the precise rate of exchange between Canton and England, if private individuals were admitted into that market, with the privilege of purchasing 30,000,000 or 40,000,000 of lbs. of tea every year, but in all probability it would be nearer the real par than at present.

5232. Supposing the Company at present were pleased to pay for their tea in bills of exchange in London, do you think they could negotiate them at 3*s.* 11*d.*?—I do not think that they could.

5233. Supposing England were supplied with tea by the private trade instead of being supplied exclusively by the Company, do not you contemplate a very considerable change in the commercial intercourse between England and China?—A very considerable change.

5234. Do not you conceive that that change would, in all probability, tend to create a considerably larger demand for bills upon England than exists at the present moment?—Certainly; but a considerably greater supply of bills also.

5235. What has been the effect of the change which has taken place in the trade between England and India?—It has had the effect of altering the exchange most materially. When that trade was closed, or almost closed, to private individuals between England and India, I can remember the exchange, Calcutta on London, at 2*s.* 7*d.*, 2*s.* 8*d.*, and 2*s.* 9*d.* the sicca rupee; it is now at 1*s.* 11*d.* or from that to 2*s.*

5236. Has not the rate of exchange fallen considerably in China in latter years?—Yes; to the disadvantage of that country.

5237. Has not that fall, in a great measure, arisen from the increased intercourse which has taken place between India and China, and between Europe, America, and China?—I think it has chiefly arisen from the great difficulty there is in procuring remittances through the way of China. In proportion as the bills are few compared with the demand for them, the India and China merchants must, of course, pay a higher price for such as are in the market.

5238. Has not the difficulty of obtaining bills by remittance on England arisen from the want of the power in Englishmen to send home goods from China to England?—Certainly.

5239. Would not, therefore, an increased intercourse by a free trade of imports and exports very materially alter the state of exchange; and would not the balance in favour or against depend on the amount of exports as compared with the imports?—This would clearly operate as one cause.

5240. Would not the rate of exchange depend upon the balance of payments?—Exactly.

13 May 1830.

R. Rickards, Esq.

5241. Would not the amount of bills procurable depend upon the extent of the commercial intercourse between the two countries ?—Clearly.

5242. You have spoken of the variation of exchange with India since the opening of the trade; has not the currency of this country been changed ?—It has.

5243. Since the restoration of the metallic currency, have not the exchanges become much more in favour of this country than they were before generally through the world ?—No doubt the exchange will always depend in one respect upon the value of the currencies in which bills are drawn and paid; but the effect alluded to in the question is, I apprehend, the reverse of that anticipated from the opening of the China trade.

5244. In answer to question 4360, Mr. Melville states, that on examining your statement, he finds that you have fallen into the same error as Mr. Thornley, by taking the rate of exchange in one year and the prices in another ?—I think Mr. Melvill must have misunderstood my statement in this respect; for in the estimates I have given of the Company's trade I did not refer to any rate of exchange whatever; I merely took the sum of the prime cost of the tea in pounds sterling, as given in the official document I then quoted, without any reference to the rates of exchange.

5245. Are you aware in what way his observation can apply to the statement on which he has observed ?—It cannot apply to the statement included in my answer 3454*a*, p. 429; and if he refers to the statement I have given in respecting the Company's trade, he must have misconceived me, inasmuch as I did not in that statement, as before observed, refer to any rate of exchange.

5246. Does not it refer to the statement you made when you calculated what the tea could be bought for ?—It may refer to that statement.

5247. Is it the fact that you have taken the rate of exchange in one year and the prices in another ?—If reference be had to the statement included in my answer 3454*a*, p. 429, the remark will be found not to apply; but if the other statement be alluded to, it will be found that, in this respect, I have only followed the course of the official documents before the public, in which, where a comparison is drawn between the prime cost of tea and the sale amount, the prime cost of one year is taken and the sale amount of the following.

5248. Then are the Committee to understand that in all those statements the rate of exchange has nothing to do with your calculation ?—With the statement relative to the Company's trade it certainly has not. If I am allowed, I would make one more remark upon this statement in answer to ques-

tion 3454*a*, p. 429, wherein Mr. Melvill objects to my adopting in this and the other statements five per cent. as the rate of wastage. In the statement included in my answer 3454*a*, p. 429, I have admitted the loss in weight and allowance to buyers, commonly called draft, to be equal to five per cent.; and I should be glad to explain to the Committee the grounds upon which I have formed that calculation. The Company are in the habit of granting a certain privilege to their commanders and officers upon their ships for the purpose of bringing home tea to this country, and they allow them, as I understand, to fill this privileged tonnage with tea at the rate of 9 cwt. to the ton. The commanders and officers, in availing themselves of this privilege, put on board for each ton 7 peculs 93 catties, or 8 peculs of tea. Now 9 cwt. are only equal to 1,008 pounds, whereas 7 peculs and 93 catties weight are equal to 1,058 pounds, or five per cent. more than the regulated allowance. That five per cent., therefore, is what they consider to be the amount of wastage on the passage home; and it is not likely, unless that was the common and average rate of wastage, that they would adopt it as the rule of filling their own tonnage; because if they are found upon their arrival in England to have exceeded the amount of their privilege, (that is, to have put more tea on board than they are allowed by the regulation of the East-India Company,) they are made to pay, as I understand, £60 per ton for every portion of the excess. We have, therefore, every reason to conclude that they adopt this five per cent. for wastage, on the ground of its having been proved, by their own experience, to be the amount of loss on the passage home. On *really* old tea the wastage is less, and may be estimated at two and a half to three per cent. There is, besides, another allowance in this country, but generally included under the term wastage, and that is an allowance to buyers of one pound upon every chest that is sold. Now a chest of black tea is seventy-two pounds, a chest of green tea about sixty pounds. This allowance, therefore, is of itself upwards of one and one-third per cent.; and when Mr. Melvill and Mr. Lloyd assert that the wastage and the allowance for draft together only amount to two per cent. (the wastage on the passage home being in this case little more than one-half per cent.,) it appears to me quite incredible, and altogether inconsistent with the experience and usage of private traders. By inserting five per cent. for wastage and draft together in my statement 3454*a*, p. 429, I shall therefore be found to have taken it against myself if I have rated it at too much; but I think, from what I have explained regarding the practice of the Company's officers, five per cent. cannot be considered as too much for the united allowance. At all events, in the future statements I mean to deliver in, I have adopted four per cent. as sufficient to cover the wastage upon the passage home, and allowance for draft in

13 May 1830. — R. Rickards, Esq.

this country; and this I take to be a moderate allowance, as applicable to both descriptions of tea.

5249. In the second division of the statement you have made, contrasting the price at which the Company supply tea to this country with the price at which it could be furnished by the private merchant, you have taken the average price of tea during the charter, as sold by the Company, to be 2*s*. 9*d*.; and you have taken the price at which it could be furnished by the private trader at 1*s*. 6*d*; would it not have been fair, as in forming that calculation of 1*s*. 6*d*. you have founded it upon the rates of exchange at Canton, to have considered what those rates of exchange have been during the whole duration of the charter?—It does not appear to me that the rates of exchange in China have any thing to do with the prices at which teas can be sold in England in sterling money. If the private merchant can sell his tea with a profit at 1*s*. 6*d*. per pound, I think it fair to compare it, as I have done, with the sale prices of the Company.

5250. In answer to question 3454*a*, p. 429, you have stated, that "in the above calculations the Spanish dollar is taken at 4*s*.; the rate of exchange at Canton was even lower last season, as many bills were drawn at 3*s*. 10*d*. and 3*s*. 11*d*. per Spanish dollar at six months' sight." Now if the Spanish dollar, instead of being at 4*s*., had been at 4*s*. 6*d*., would it not have affected the result at which you have arrived, so as to make the cost at which tea could be supplied by the private trader in this country above 1*s*. 6*d*.?—It would not. It would only affect the result as to profit. If the dollar cost the purchaser of the tea 4*s*. 6*d*. instead of 4*s*., that would be an advance on the prime cost of eleven per cent.; in that case the tea might still be sold at 1*s*. 6*d*. the pound in this country, and be supposed to leave a net profit to the importer of seven per cent. But I would beg leave to observe, that if the trade were thrown open, as I propose, it is not probable the exchange would rise to 4*s*. 6*d*. It is more likely to vibrate within limits nearer to the real par.

5251. When you state that tea could be supplied at 1*s*. 6*d*., and that the exchange is no relative part of its cost, upon what principle do you regulate the upset price?—A private trader in disposing of his goods has no upset price like that adopted at the Company's sales. In the statement of 3454*a*, p. 429, the average cost of the tea being regulated by a rate of exchange of 4*s*. per dollar, it appears from the result of that statement that the teas might be sold in this country at 1*s*. 6*d*. a pound, and then leave a profit of 18 per cent. to the importer. If the purchaser of the tea in China was obliged to pay higher for his tea there, that is, to purchase his dollar at a higher rate of exchange than 4*s*., the only effect it would have upon this state-

ment is, as before observed, to diminish the amount of the profit. 13 May 1830.

R. Rickards, Esq.

5252. Is not your calculation made upon the lowest rate of profit at which a private merchant would carry on such a transaction?—By no means. The private merchant would be well satisfied with a net profit of 10 per cent., whereas upon the grounds of this statement he gets 18.

5253. Upon what grounds do you calculate that the private trader would be entitled to charge the public 18 per cent. profit?—I only say that if he got 1*s*. 6*d*. for his tea, upon the grounds of this calculation, he would get 18 per cent. as the result of the adventure; but it is probable that so high a rate of profit would soon come to be reduced by public competition, and then the private merchant would not be indisposed, I presume, to take less.

5254. Must not the cost of the tea be influenced by the rate of exchange?—I admit that it is; that is, the prime cost.

5255. You have given two statements, one of which is a calculation of what the profit will be on one year's actual transactions, and the other is a calculation of what the profit would be on the average of a given period; you have assumed that the sale price of the Company's tea would be 2*s*. 9*d*. for the whole period, and you have assumed that the price of the merchant would be the same; do you suppose that merchants could have procured assets to buy tea during the whole period at the same rame rate which you assume?—It is impossible to say at what rate merchants could have procured the dollar in China during the whole of that period, if the trade with China had been perfectly free; neither do I think there are any documents in this country which would establish that fact. In the event of a perfectly free trade, it is probable the exchange would not vary much from the real par; and I therefore repeat, that if, during any portion of the period, the dollar should have cost the private merchant more than 4*s*. the effect would have been to raise the prime cost of the tea in China, and to diminish, *pro tanto*, the result of the concern.

5256. If the dollar had been 5*s*. 6*d*., would not it have taken away the profit altogether?—No doubt it would; but that is a rate not to be contemplated. I will venture to predict, that if the trade is thrown open between this country and China, the dollar never will rise to 5*s*. 6*d*.

5257. Has it not done so in past years?—Yes; and so had the sicca rupee risen to 2*s*. 9*d*. under the influence of the Company's monopoly; but I maintain, upon the same grounds, that the sicca rupee in India can never again rise to 2*s*. 9*d*., so neither can the dollar rise to 5*s*. 6*d*., if the trade be thrown open.

13 May 1830.

R. Rickards, Esq.

5258. You have stated that in estimating the cost of the tea you have had no reference to the rate of exchange?—I have stated that, in regard to the sale price, I have had no reference to the rate of exchange, but not with regard to the cost. I have said that a rise in the cost price will only diminish, *pro tanto*, the ultimate profit.

5259. Will you turn to the answer to question 4375 in Mr. Melvill's Evidence, in which he says, "I am prepared now to prove that Mr. Rickards's statements involve errors and omissions which, when corrected, leave a credit to the amount of £956,361," and so on, stating the amount of several years; have you examined those statements, and what observations have you to make to the Committee on the corrections given in by Mr. Melvill to those statements, beginning with the first for the year 1820-21?—I have examined those statements; and I would beg leave to observe, upon the statements which I delivered on former examinations to this Committee, that they are founded upon my interpretation of the 57th clause of the Act of 53 Geo. III. c. 155, the words of which it may be convenient here to quote: "That for and during the continuance of the possession and government of the said territorial acquisitions and revenues in the said United Company, the net proceeds of their sales of goods at home, with the duties and allowances arising by private trade, and all the commercial profits and other receipts of the said Company in Great Britain, shall be applied and disposed of in manner following; that is to say, first in providing for the payment of bills of exchange already accepted and hereafter to be accepted by the said Company, as the same shall become due; secondly, in providing for the current payment of other debts (the principal of the bond debt in England always excepted) as well as interest, and the commercial outgoings, charges and expenses of the said Company; thirdly, in payment of a dividend, after the rate of £10 per centum per annum, on the present or any future amount of the capital stock of the said Company." According to my view of that clause in the Act, it appears to me that the Company are required to pay out of their net profits the interest upon the home bond debt in this country (the principal being expressly excluded there when speaking of interest), together with the dividends upon their stock; and the object of those statements was to show that there was not a sufficiency of net profit upon the China trade (the only portion of the Company's commercial concerns that I had then any means of examining) to pay the whole amount of these dividends and interest. When I gave in those statements, it will be recollected by the Committee, that I observed upon them that it was impossible they could be altogether accurate; that they were consequently liable to corrections, and that having taken the items contained in those statements from certain official documents which I then referred to, having no

13 May 1830.

R. Rickards, Esq.

others before me to quote, I merely presented them as affording proof in the abstract of the position I had assumed. When, therefore, Mr. Melvill brought to this Committee certain corrections of those statements, it was reasonable to expect that he would produce an account, prepared upon mercantile principles, of the *actual* profit derived by the East-India Company at the several periods referred to; instead of which we have from Mr. Melvill an arbitrary combination of figures, which are not only not supported by any official document that I have seen, but are absolutely at variance with all those official documents now, as I understand, on the table of this Committee, as I shall proceed to prove. But before I go to the proof, I would beg leave to observe upon the explanation which is now given of the term *prime cost*. In my original statements I took prime cost to mean, what every other private merchant would do, the actual price paid by the purchaser to the seller of the commodity; whereas we are now informed that the "prime cost" of Leadenhall-street includes a variety of items which it was impossible for any private merchant, or I believe any human being, to conceive would have been included in the term prime cost, unless he had been previously admitted into the arcana of the India-House. That prime cost, as now explained, means, it appears, not the prime cost of the tea, but the prime cost of a certain quantity of woollens from England and cotton from India, with the charges of freight, insurance, and other items included therein (not added); amongst which I find, or rather I infer, from the examinations of Mr. Melvill and Mr. Lloyd, that the following are component items: *viz.* "the cost of maintenance of the Factory, comprising rent and repairs of private apartments, as well as furniture supplied thereto, and the expense of the public table kept in the Factory;" that it also includes "rent, repairs, and furniture, including a charge of six per cent. per annum on buildings and other dead stock, the property of the Company in China; Canton port charges; duties on imports sold by auction; unloading charges; expense of the removal of the Factory establishment to and from Macao; charge of the Company's schooner, boat-hire, &c.; ditto on account of their reception on board the Company's ships during discussions with the Chinese authorities; linguists' fees; Chinese masters, &c.; stationery and articles for use; wages of coolies and watchmen; packing charges, &c.; petty expenses; printing establishment." These are Chinese charges. Besides which there are superadded, as incurred in England, "a proportion of the charges of establishment and shipping charges attaching upon the Company's exports to China." This is the explanation now given of the term "*prime cost*" at the India-House; and if I have been led into error in the first instance in not conceiving the possibility of "prime cost" being made up of such a host of incongruous items, I hope to stand perfectly justified in the opinion of the

13 May 1830.

R. Rickards, Esq.

Committee. Now, however, that we understand what "prime cost" means, I shall of course adopt it in its new sense in the future statements which I have to lay before the Committee. In respect to the article of prime cost, therefore, I stand corrected under the explanation now given. But with regard to the next item, or the sale quantity per contra, given in Mr. Melvill's corrected statements, he has, I presume, adopted an estimated amount, by taking the sale quantity at two per cent. less than the original quantity, on the supposition of two per cent. being a sufficient allowance for wastage, which, according to the explanation I have given in reference to my former statement, I take to be perfectly erroneous. He has, moreover, adopted an estimated amount as to the sale proceeds of tea, for I cannot find either that quantity specified by him, or the amount sale proceeds thereof, in any one official document now upon the table of the Committee. On the contrary, in the official documents upon this table, both the quantity of tea sold in the periods referred to in these corrected statements of Mr. Melvill, and the amount of sale proceeds, are widely different from the quantities and sums he has adopted; I have therefore a right to conclude that these items are estimated or arbitrary insertions. In respect to freight and demurrage, I have not the same means of tracing these items through all the different periods contained in the four corrected statements of Mr. Melvill; but I find that it does not agree with one period in which there is an exact official account of the China freight, and that this differs very materially from the amount given by Mr. Melvill; whence I can only infer that the whole of these items for freight and demurrage in his four corrected statements are likewise arbitrary insertions. In the corrected statement for 1827-8 by Mr. Melvill, he states, for example, the freight and demurrage at £550,866, whereas in the official documents before referred to, or No. of the "accounts and papers delivered to the Committee, 1830," where the freight upon the outward trade to China and the trade to the colonial possessions at the Cape of Good Hope and North America is separated from the homeward freight from China to England, this latter freight is there stated, for 1827-8, at £647,319.

5260. Have you any other means of comparing the charges introduced by Mr. Melvill for freight in the other statements, to ascertain how far the same variation exists which you have shown in the single official document you have?—I have no other official documents for the periods given in the four corrected statements.

5261. What observations have you to make on the other corrected statements?—The other charges contained in Mr. Melvill's corrected statements are as follows: viz. £82,114 for Canton salaries; £173,520 for charges in England; £236,287

13 May 1830.

R. Rickards, Esq.

for interest, and £58,654 for insurance; making a total of £550,575. On these items I have to observe, it is not a little remarkable that these charges are precisely the same in every one of Mr. Melvill's corrected statements, although they are for four different and distinct periods, viz. 1814-15, 1820-21, 1827-28, and an average of fourteen years. Now it is quite impossible that those charges could have been the same in each of those periods; on the contrary, we know from official documents upon the table, that the charges vary constantly from year to year. The insertion, therefore, of the same charges in every one of the corrected statements must unquestionably be incorrect; they cannot be otherwise.

5262. Have you the means of showing the difference between the actual charges for those four items by the official documents before this Committee and that account given in by Mr. Melvill?—I have for the year 1827-8, and will give it in a statement I have prepared for that purpose; meanwhile I would remark, upon the circumstance of those charges being invariably the same throughout the whole of Mr. Melvill's corrected statements, that they absolutely invalidate the whole. They are not, and cannot be, those correct statements of the Company's China trade which it was reasonable to expect would, on such an occasion as this, have been furnished from the India-House. There are, however, other objections taken by Mr. Melvill to my statements, which I should like to explain; and first, with regard to the interest, which is £236,287, in the year 1820-21. Considering that this is a statement of profit or loss on a particular adventure or branch of trade, and drawn out for no other purpose than to ascertain whether there was a sufficiency of net profit to pay the interest upon the home bond debt and the dividends upon stock, I maintain that the charge of interest is a fair item to be introduced into that statement. In the first place, my position is, that the whole of the money included in the prime cost, *viz.* £1,874,840, is money borrowed from the revenues of India. The Company have no other capital to trade with. They are supplied entirely with funds from the revenues of India. I believe the revenues of India to be the sole support of their commerce, without which they could not have existed so long as they have done as a commercial body. I have a number of documents to prove this fact, which in due time I may perhaps be called upon to produce; but in the mean time I would only advert to one circumstance, which happened in the year 1813, when Mr. Cartwright, the late Accountant-general of the East-India Company, was examined before the Select Committee of the House of Commons, of which I was then a member. Mr. Cartwright, upon that occasion, was asked a question with regard to the Company's capital; and his answer was simply this: "Capital, Sir; I have been forty years in the Company's service, and I never could

13 May 1830.

R. Rickards, Esq.

find out that they had any capital at all." There are gentlemen now alive who were present at this Committee, and well recollect his, Mr. Cartwright's, answer. It was modified afterwards, in consequence of some discussion that took place at the Committee, one of the Directors being present, and rather displeased with Mr. Cartwright for giving such an answer, and he was allowed upon application to alter it. I am then justified, I think, in saying that if this money is borrowed from the revenues of India, and which I am confident is the case, interest thereon is fairly debitable to this account. It appears to me, indeed, that a larger sum of interest than the amount here specified should be carried to the debit of this adventure; for I observe in one of the examinations of Mr. Melvill, that he states that interest upon this account is only calculated for eighteen months. The interest, however, fairly chargeable, upon mercantile principles, in this statement, ought to be nearer three years and a half; and therefore, if it was taken at three years, it would be double its present amount. As this, however, is the amount given in upon official authority, we shall take it at £236,287. It may be as well to explain my reason for saying that three years at least ought to be, upon mercantile principles, included in that account. Mr. Melvill admits in his examination, answer 4298, that, according to "ordinary usage, as respects interest being included in the invoice charges with the Parliamentary enactment, the upset price of the tea should include interest from the time of the first expenditure to the time when the sale proceeds of the tea are realized." This is a fair principle for calculating interest. According to this principle, I would beg leave to explain to the Committee that the largest portion of this sum of prime cost being furnished in goods from England and from India, is supplied in the following manner: There is a certain quantity of goods purchased in England, in all probability two or three months before they are embarked on board the Company's ships. These ships sail, say in the month of January. Those that proceed by the way of India go to receive cargoes of cotton, which are also provided about the same time as the English goods are. They all arrive in China in the autumn of that year. They are despatched from China in or about December, laden with tea, and arrive in this country in May or June of the following year. We have here a lapse of one year and a half; and as the cargoes brought home, according to Mr. Melvill's own admission, remain in warehouse upon an average twenty months, and are then sold at two or three months' prompt, there is therefore a period of about three years and a half between the time of the first advance of the money for the purchase of those goods, and the time when the sale proceeds of the teas are realized. On these grounds I infer that a larger sum of interest ought to be included in this account than is here inserted, for this is avowedly no more than

13 May 1830.

R. Rickards, Esq.

eighteen months' interest upon sums advanced to make up what is called the prime cost. With regard to the insurance, the next item in this account, Mr. Melvill takes credit in his corrected statements (after debiting the account with the premium, or £58,654) for £44,593, as saved by them (the Company) in the mode of effecting their insurance. Now it is very possible that they may have saved this amount in the mode of effecting their insurance by being their own underwriters. If they have done so, I still say that this credit item has no business here. Upon mercantile principles, it ought to be credited in their underwriting account, and nowhere else. On the other hand, the charge for insurance, being three per cent. upon the value insured, is a regular mercantile charge in all invoices and accounts of this nature: it is a sum which the merchant either pays to another or to himself for the risk he runs in regard to the capital employed. If he is his own underwriter, he must keep a regular account of such transactions, and whatever he gains or loses must be carried to the debit or the credit of the underwriting account, and nowhere else. It may finally be remarked, with reference to these credits, termed "amount of interest earned on the Company's own capital," of £236,287, and the "amount saved by them in their mode of effecting their insurance £44,593," that these also, in like manner with the charges, are carried at the same unvarying amounts through every one of the corrected statements for the four separate periods. Nothing therefore can be clearer, in my opinion, than that such insertions as these completely invalidate the whole of those statements.

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PART XI.

SIXTH REPORT.

MINUTES OF EVIDENCE

TAKEN BEFORE

THE SELECT COMMITTEE

OF

THE HOUSE OF COMMONS,

APPOINTED TO ENQUIRE INTO

THE PRESENT STATE OF THE AFFAIRS

OF

THE EAST-INDIA COMPANY,

AND INTO THE

TRADE BETWEEN GREAT BRITAIN, THE EAST-INDIES, AND CHINA,

AND TO REPORT TO THE HOUSE.

LONDON:

PRINTED FOR PARBURY, ALLEN, AND CO., LEADENHALL STREET; AND J. M. RICHARDSON, CORNHILL.

1830.

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MINUTES OF EVIDENCE.

Lunæ, 17° *die Maij* 1830.

Jovis, 20° *die Maij* 1830.

Lunæ, 24° *die Maij* 1830.

Jovis, 3° *die Junij* 1830.

SIXTH REPORT.

THE SELECT COMMITTEE appointed to inquire into the Present State of the AFFAIRS OF THE EAST-INDIA COMPANY, and into the TRADE between *Great Britain*, the *East-Indies*, and *China*; and to report their Observations thereupon to the House; and who were empowered to report the MINUTES OF EVIDENCE taken before them from time to time to the House;—

HAVE made a further Progress in the Matters to them referred, and examined several other Witnesses; the MINUTES of whose EVIDENCE they have agreed to report to the House up to the 3d day of this instant June, inclusive.

3*d June* 1830

MINUTES OF EVIDENCE.

Lunæ, 17° *die Maij* 1830.

William Ward, Esq. in the Chair.

ROBERT RICKARDS, Esq. again called in, and examined.

17 May 1830.

R. Rickards, Esq.

5263. You have stated that you consider that the trade is carried on by means of the territorial revenue of India?—I conclude it is, from an examination of the official documents before the public.

5264. Are you aware that money to the amount of £3,000,000 sterling per annum is paid in this country to the account of territorial charges?—Latterly it has amounted, I believe, to about £3,000,000 sterling; but not to so much in previous years.

5265. Are you able to say from what source those funds are derived that form those £3,000,000?—It appears to me that they are derived from the surplus revenue to India, and remitted to this country in goods from India and China.

5266. Must it not depend upon whether there is a profit upon those goods; whether there is any source from which that territorial revenue can be defrayed?—As regards the result of the trade, it would appear from the official documents which I have had an opportunity of examining, and now on the table of this Committee, that the trade with India is attended with loss, and the trade with China with a small profit.

5267. Supposing the goods that are sent from India in any one year to defray those territorial charges, in what manner are the territorial charges of the next year defrayed?—In the same way, from goods purchased in India and in China, and remitted to this country for sale.

5268. Then you are not able to point out any other source from which those territorial charges paid in this country are defrayed but what you have stated?—I cannot, from any of the printed official documents I have seen.

5269. Do you consider the trade to be a losing one?—I am led to that conclusion from the examination of the official documents.

5270. From what period do you consider that trade to be a losing trade?—I have in my possession, but not here, the official statements laid before parliament by the Court of Directors for about thirty-five or thirty-six years; and from these statements I can only infer that the trade has been a losing one throughout at least the whole of that period.

5271. You say the profits on the China trade are small?—According to my view of the documents, there would seem to be a small profit on the China trade, but not after paying dividends and interest on home-bond debt.

5272. And yet you say that this payment of £3,000,000 a year is made from the proceeds of that trade?—From the proceeds of the sale of goods for which the revenues of India appear to me to have furnished funds.

5273. But still it is through the medium of that trade only that those territorial charges are defrayed?—From the sale proceeds of the goods, not from the profit.

5274. Then you still persist in the opinion that the territory supports the trade?—I do.

5275. Would your opinion remain unaltered if it were shown to you that Lord Melville, Mr. Canning, Mr. Bathurst, Mr. Williams Wynn, and Lord Ellenborough, in their offices severally, as Presidents of the India Board; that the Marquis of Hastings, Lord Amherst, and Lord William Bentinck, as Governors-general; that the several Chairmen, Court of Directors of the East-India Company; and that all the accountants of the India Board, of the Bengal government, and of the Company, totally differ from you in that conclusion, and unite in agreeing that, since the accounts were separated, the territory has derived resources and aid from the trade?—The question, I admit, contains a host of most respectable authorities against the conclusion I have drawn, but opinions on either side do not amount to proof. The real truth, whether there be a gain or a loss on the Company's trade, whether the territories have supported the commerce, or the commerce supported the territory, must depend upon the result of figures; that is, of figured statements so prepared as to satisfy merchants and the public at large of the alleged fact. I mean to say that no satisfactory conclusion can be drawn upon this head from any of the official documents I have seen in print; I refer, therefore, entirely to these official documents, without meaning to impugn the opinions of the gentlemen whose names are quoted in the question, for whom, on the contrary, I entertain the highest degree of respect.

5276. If these documents never satisfied the public, how comes it that the successive officers who have been named should have still persisted in their opinion, in contradiction to yours?—I am not responsible for their opinions; neither do I mean, in stating

17 May 1830. — R. Rickards, Esq.

to the Committee the grounds of my own opinion, to insist upon it that I am absolutely right; I merely say that I have formed this opinion upon the official documents which have been laid before parliament. If further statements can be produced to induce me to alter that opinion, I shall be most ready to acknowledge it.

5277. But for the present you remain of the same opinion you have expressed?—I must remain of that opinion as long as the documents now before the public are the only ones which I am enabled to refer to.

5278. You say that the documents are unsatisfactory?—The documents, in my opinion, do not establish the fact of the commerce of the East-India Company being so profitable as to aid the revenues, but the reverse.

5279. Have you any satisfactory document upon which to come to the opposite conclusion?—I would not assert this opinion so roundly as I do without having documents to support it; but I have not those documents at hand, not expecting to be examined to this particular point.

5280. Are they official documents?—They are, all of them.

5281. Then are the official documents satisfactory to bring you to the conclusion you come to?—They have led me to that conclusion.

5282. Those official documents are of course known to all the persons whose names have just been mentioned?—They are before the public.

5283. Do you not think that in a point of so much importance as that of correctly ascertaining the state of the Company's affairs, it would be more desirable that this Committee should be guided by documents framed expressly for such a purpose from official sources, than by statements compiled from different accounts, which, however correct in themselves, from being framed for different purposes, may not admit of their being combined into a general result by persons not conversant with the Company's mode of keeping accounts?—A correct and comprehensive view of the real state of the Company's affairs, prepared on mercantile principles, and officially certified, is the very thing that is now wanting, and ought, as I think, to be produced. Meanwhile I can only add, that I have formed no opinion, nor drawn any conclusion as to the territory supporting commerce, except from the official documents I have seen in print. Those official documents are not now at hand, from my not expecting to be examined upon this particular point; but I shall be ready to give all the information in my power as to the grounds upon which my present opinions are founded, whenever I am called upon for that purpose.

17 May 1830.

R. Rickards, Esq.

5284. And from these official documents you have formed your opinion that the territory supports the trade?—Yes.

5285. Do you conceive that you have seen official documents proving that the territory has produced a surplus competent to defray all the charges which have been paid in England on account of the trade?—That is my conclusion, that the surplus revenue in India has been sufficient, and more than sufficient, to pay all the charges in England.

5286. And that that appears from the official documents you have seen?—Yes.

5287. When you say that the territory has produced a surplus which has supported the trade, do you exclude from your estimate the territorial charges arising from a state of actual war, and confine yourself to what you consider the ordinary revenues and charges of a time of peace?—The official documents which I have examined appear to me to include all the charges of the periods of war; and it is on this presumption that I say there is still a surplus revenue exhibited on the face of the accounts.

5288. How do you account for the accumulation of a large debt?—That would lead to a very long discussion, which I am prepared to enter into, but I have not the documents at hand to support the opinions I should give upon that subject; and, with deference to the Committee, I think it had better be postponed till these documents can be regularly laid before them.

5289. Can you refer to the particular documents upon which you form your opinion that the trade is supported by the territory?—The principal documents that I refer to are the annual accounts of the state of the revenues, and other matters, which are laid by the Court of Directors before the House of Commons annually.

5290. For how long back?—I think I have got them in my possession for about thirty-five or thirty-six years back.

5291. Do you mean to say that those accounts exhibit annually a surplus revenue sufficient to pay the charges of the trade?—They do, to my judgment.

5292. Including all the expences of war?—Including the expences of all the wars the Company have been engaged in during that period, presuming always, as I have said before, that those expences are included as they appear, and ought to be, under the head of "charges" in the accounts alluded to.

5293. Then you conclude that the large debt contracted by the Company has arisen entirely from losses on trade, and would not have arisen from any transactions as sovereigns of India?—If my opinion is correct as to the state of the revenue accounts, there is no other inference to be drawn in respect to the accumulation of debt.

17 May 1830.

R. Rickards, Esq.

5294. What does the surplus of the territorial revenue amount to, in your estimation, during the last fourteen years?—I could not state that without having my papers by me.

5295. Can you, by reference to the papers presented by His Majesty's command to this Committee, state what has been the advance by the territory to commerce in India, and what have been the payments in England for the territory by the Company for the year 1814?—In No. 13 of the Papers relating to the Finances of India and the Trade of India and China, presented in February 1830, the total amount of advances made at the several presidencies and settlements of India for the purposes of commerce, in so far as regards the purchase of investments for Europe, from the year 1814-15 to 1826-7 inclusive, is £30,545,069, of which £24,338,050 are stated to have been issued in repayment of territorial charges defrayed in England. In No. 2 of the same papers, being an account of the revenues and charges of India, the total of the territorial charges paid in England are stated to be included, and for the period here referred to amount to £20,893,206. It appears, therefore, from this account, that a balance of £3,444,844 would be due to the territory; whereas in the Account No. 25 of the same papers, the territory is debited in the sum of £8,142,103. These are discrepancies in the official accounts before the public, which can only be reconciled by the officers of the East-India House. There are no explanations given by which a private individual inspecting these accounts can possibly effect this reconcilement.

5296. Are the Committee to understand that accounts No. 13 and No. 2, which you have quoted, support the view you have taken, that only twenty millions had been advanced in that time on account of territorial charges in England?—This is certainly one fact in corroboration of the view I have taken.

£20,893,206.

5297. Will you state to the Committee what appears by these documents to have been advanced by the territory to commerce in the same period?—The sum total advanced for the purposes of commerce is thirty millions, of which twenty-four millions are stated to have been applied to the repayment of territorial charges defrayed in England.

5298. Does it not further appear in a subsequent column, that £6,207,019 were issued from the commercial funds in India?—It does; and I was going to add that when I was interrupted.

5299. You were understood to state that the sum of £30,545,069 was advanced in India from the territory for the purposes of commerce; the Committee also understood you to have said, that out of that sum of £30,545,069 the sum of £6,207,019 was advanced to the commercial funds in India; how do you reconcile these two answers, the one expressing that the whole sum was advanced for the territory, the other that a

considerable part of it was paid for the commerce ?—I have, it is true, stated in a former answer, that I believe the commerce to be wholly supported by advances from the revenue funds; but when I answered the question referring to this account I quoted the very words contained in the head of each column, and therefore I feel quite confident that I have quoted it correctly.

5300. Then the Committee is to understand that you dispute the correctness of that heading of the last column which states the sum to have been issued from the commercial funds ?—The issue is here stated to have been made from commercial funds, and I have no doubt it is so; but according to my view of the Company's accounts, I should conclude that this also was advanced in the first instance from the revenues.

5301. Then, in fact, you do not speak now so much from the accounts themselves as from the correction which you conceive your knowledge has enabled you to make of those accounts ?—I speak from both.

5302. Is it your opinion, then, that what are stated in this heading to be commercial funds are in point of fact, when examined into, funds derived from the territorial revenue ?—In consistency with the answer that I have given in the early part of the examination of to-day, I conceive these commercial funds to have been also originally derived from the revenues. With the funds thus derived goods are purchased in India, and consigned to this country. Out of the proceeds other goods are returned to India for sale, and constitute there also a head of commercial funds. In this way, if my view of the state of the Company's accounts is correct, these £6,207,019 are also in the first instance derived from territorial resources.

5303. Then you conceive that the surplus revenue has been competent to supply those advances to the commercial funds ?—That and the debt together. This sum, therefore, of £6,207,019 stands upon the explanation I have just now given.

5304. Upon what grounds more particularly do you form the opinion that these £6,207,019, which have been considered by the Company and by the Board of Controul to have consisted of commercial funds, has in fact consisted of territorial funds ? —I have explained my reasons for entertaining that opinion very fully in the evidence I have just given.

5305. You have stated that the territorial charges paid in England since the charter amount to about £20,000,000, according to the account No. 2, and you conceive that that column of the account gives you the whole of the deficiency of the revenue in India ?—It seems to be stated here as the sum of the territorial charges paid in England.

5306. Are you not aware that in the latter years of that pe-

17 May 1830.

R. Rickards, Esq.

riod there was also a deficiency in India, appearing on the face of the accounts, to the amount of above four millions and one half, under the head of "Remaining Indian surplus charge?"—I have not that account before me; but I dare say the deficiency is so stated in the official accounts laid before Parliament as they are now prepared.

5307. Is not that sum to be added to the total amount of the deficiency of the revenues of India?—In the statement I shall lay before this Committee, to support the view I have taken of the Company's financial accounts, I shall include that £4,000,000, and every other deficiency. My opinion is, that there is no deficiency upon the whole; that there must be a surplus, if the printed official accounts are correct. I rest my opinion entirely upon them.

5308. Are you aware that a sum of nearly £5,000,000 has been applied as part of the surplus commercial profits to the payment of the territorial debt since the charter?—I have seen that sum stated as a memorandum at the foot of one of the official documents in this collection of papers; but I cannot find out from this, or from any other official document contained in this collection, whence that commercial profit arises.

5309. Then you conceive that, as it cannot be proved to have come from commerce, it must come from the territory?—It is impossible to tell from this account where it comes from.

5310. Does the account of the territorial revenue and charge show a capacity not only to defray all the expenses in England; but this additional sum of £5,000,000, in this circuitous way, returns through commerce?—I think the territorial account, when fairly analyzed, will exhibit a very large surplus.

5311. Do you mean to imply that some heads, either of revenue or charge, are improperly stated in the account No. 2?—I am sure that if I was to give my view of the case here, without having my papers at hand, and official papers to refer to, I should only lead the Committee into a very troublesome discussion, and occupy their time, in all probability, unnecessarily.

5312. Does it not appear in account No. 2 that the whole of the interest on the India debt is charged separately from the territorial charges paid in India?—It does.

5313. Is not a part of the interest on the India debt paid annually in England out of the commercial funds; and ought not, therefore, the interest so paid to be added to the territorial charges which are to be levied in India for advances made in England?—Certainly, if the debt itself is territorial.

5314. If, therefore, the interest so paid be added to other charges, may not the territorial charges paid in England during the period since 1814 exceed the sum of £24,338,050, which

17 May 1830.

R. Rickards, Esq.

is stated in No. 13 to have been repaid in India for advances in England?—The official accounts will show that. I cannot state it from a cursory view of these accounts. I cannot tell from these accounts whether any portion of the interest on the debt is included in the territorial charges paid in England; but if, after paying the whole interest on the bond debt, as included in that column, and after paying the whole of the territorial charges included in the other column, there shall still appear to be a surplus revenue, it appears to me to be quite indifferent, whether, as regards the ultimate result, any portion of that interest on debt be paid in this country or in India.

5315. If you will refer to answer 3454*a* in page 429, in your second Statement, you will see that you have assumed that the average price at which tea could be supplied by the private merchant is 1*s.* 6*d.* a pound, including a profit of 18 per cent. to the merchant; does that include interest for the capital employed, as there does not appear to be any included?—No, it does not include interest, because the money is supposed to be raised by bills, in which case no interest would be chargeable; the interest would be included in the rate of the exchange.

5316. If it is supposed to be raised by bills, would you assume that the tea should be sold as soon as the bills became due?—The tea imported into this country by private merchants would in all probability be sold either before the bills fell due, or much about that time, the bills being supposed to be drawn at six months' sight.

5317. Are you not aware that the Commutation Act, by requiring a stock to be kept on hand, precludes the selling of tea before its arrival?—It precludes the Company, but it would not, on the supposition I have assumed in those statements, preclude individuals from doing it.

5318. At what rate do you value a dollar in the computation of 1*s.* 6*d.* per pound; do you not value it at 4*s.*?—I have in this statement valued it at 4*s.*

5319. Supposing the dollar were 4*s.* 6*d.*, would not the profit be greatly reduced?—I have stated already that the effect of it would be to reduce the profit, and not to affect the sale price in this country; but as the profit is a very ample one, *viz.* 18 per cent., there is abundant room for reduction from any variation that might take place in the rate of exchange, and still leave the merchant importer an adequate return for the employment of his capital.

5320. If the dollar were at 5*s.* 6*d.* or 5*s.* 9*d.* or 6*s.*, would there not be a loss?—Certainly; but I cannot contemplate the possibility of the exchange rising to 5*s.* 6*d.* or 6*s.* per dollar, in the event of a perfectly free trade being opened to China.

5321. Are you not aware that it is stated in the official docu-

17 May 1830.

R. Rickards, Esq.

ments before this Committee, that in some of the years since 1814 the dollar has, in actual transactions, been exchanged for even 6*s.*?—I believe it has been quoted at that rate; but the exchange between Canton and England during the period of the Company's monopoly is no guide for concluding what the rate of exchange would be under the circumstances of a free trade. We have had a remarkable instance of that in respect to Indian exchanges. When the Company had a close monopoly of the trade to India, our rate of exchange was then as arbitrary at Calcutta as it is now at Canton; the rate of exchange then was within my recollection as high as 2*s.* 9*d.* the sicca rupee, and very shortly after the trade was thrown open, and began to feel the operation of the adventures of private merchants in India and in England, it fell to 1*s.* 11*d.* and 2*s.* If the trade was thrown open to Canton I should anticipate that the exchange would be regulated by the same causes, and accordingly vibrate about the real par, being sometimes a little above, and sometimes below that standard, which, as regards dollars, is 4*s.* 3*d.*

5322. Were not the high exchanges which you speak of, 5*s.* and 6*s.*, and the high Indian exchanges at the same period, in consequence of the Bank of England being at that time not open for payment in specie, and that dollars were in the same proportion advanced in England?—That may have been one cause.

5323. Is it possible that the exchanges of China and India with England, any more than the exchanges between any one country and another, can vary beyond the expense of conveying the precious metals from one country to the other?—Certainly they never would, if the commercial intercourse between the two countries were free; but under the operation of the Company's monopoly in India, for example, the case was widely different. The Company had adopted the exchange of 2*s.* 6*d.* the sicca rupee, for their remittances to England, to discharge interest on their loans, and for other purposes, and that had a material effect in regulating the then existing exchange; now I consider the exchange between England and India to be operated upon by precisely the same laws which regulate it with all the countries of Europe.

5324. That is, by the charge of conveying the precious metals from one country to the other?—Certainly.

5325. Are you aware that an export duty was laid by the East-India Company on the exportation of treasure from India to England about the year 1811 or 1812?—I believe it was the case, but I cannot at this distance of time speak from recollection alone very precisely as to the amount of the duty, or the time during which it was in operation.

5326. In point of fact, do you know that the exchange con-

tinued as high as 2*s.* 9*d.* till the year 1817 or 1818, four years after the charter?—It continued high until 1817 or 1818; that is, until it felt the full influence of a freer trade.

5327. You have referred to the effect upon the exchange by opening the trade with India; do you not think there is a great difference between the effect of opening the trade with India and what might be the effect of the same measure with regard to China, because in India no internal regulations exist which interfere with commerce; whereas in China internal regulations proceeding from the authorities in China would so interfere, that the rate of exchange would not be so acted upon as it would be in India?—I should think that the rate of exchange would be in a great measure regulated between China and England by the operations of the traders themselves, and that altogether independent of the restrictions that might be laid on by the Chinese government, more especially when I perceive that in regard to some of the most important articles of trade now with Canton, the restrictions of the Chinese government are completely set at nought by the merchants who trade in those commodities.

5328. If your computation of 1*s.* 6*d.* per pound have reference to the whole period since 1814 and 1815, is it not clear that the private merchant who sold his tea at that price would have been left greatly out of pocket, in many years, when, for instance, the dollar was worth 6*s.*; and if your computation be not intended to embrace the whole period, then do you not perceive that in your second statement, in answer 3454*a*, in page 430, you have contrasted your assumed price of 1*s.* 6*d.* with the Company's average price of the whole period, as stated by you in the first line of the statement in page 429, and consequently that the comparison which you have made must be fallacious in its results?—My comparison under the head "Secondly," with the Company's prices, is introduced incidentally. The actual comparison which I have rested upon is the "first" comparison, wherein the rate of exchange in China, and the sale price of the Company in this country, are taken for one and the same period. When I was examined upon this subject on Thursday, I observed that I really could not exactly comprehend the exact connection that was endeavoured to be established between the rate of exchange in China and the sale price in this country, because these two things are governed by very distinct causes. If a private merchant cannot get 1*s.* 6*d.* for his tea in this country, he must take less or else hold the commodity. The sale price in this country will always be governed by the state of demand and supply. As to the rate of exchange in China, when it is quoted at 6*s.*, I take that to be a perfectly arbitrary rate of exchange; the exchanges quoted in private letters from Canton are very frequently stated to be

17 May 1830.

R. Rickards, Esq.

perfectly nominal. There is, in fact, no rate of exchange in China regulated by the same rules that govern the rates of exchange between the different countries in Europe; but I do conceive, and I think it will be proved, if the trade should ever be thrown open to China, that the dollar can never rise to that amount again; it will probably be confined within the limits of from 4*s.* to 4*s.* 6*d.*, the real par being 4*s.* 3*d.*, and in all probability nearer to the real par than the utmost extent of those limits; and if the trade had been thrown open for the whole of the period alluded to in this second comparison, I for one must be of opinion that the exchange never would have exceeded those limits; I therefore think that I was justified in introducing this second comparison in the way I have done it here, more as an incidental comparison than as a real comparison, such as that which is introduced under the first head.

5329. You are aware that a great part of the purchases made at Canton on American account are effected by dollars sent out from this country or from America; what does that dollar cost the parties in China who send it out?—The price at which they can procure it in America, with the usual charges of exporting it to China. But the Americans, who were formerly in the habit of conveying dollars alone to China for the purpose of purchasing investments, and for the obvious reason that they could not supply themselves with funds in any other way, have now for a series of years taken also the manufactured goods of this country, which they have latterly carried in larger and larger quantities to Canton; what, therefore, the dollar or the tale costs them in China I cannot exactly tell.

5330. In your last examination you said that Mr. Melvill's corrected statements were arbitrary, because they contain precisely the same sums as the charges of interest and insurance for each year; have you not done exactly the same thing in your statement; and if such insertions invalidate Mr. Melvill's corrections, is not the conclusion inevitable that your statements are invalidated by the same cause?—When I delivered in those statements to the Committee I informed them that I had only official documents for the years 1820 and 1821, to refer to; having no other than those of 1820-1, I was obliged to include the charges contained in that document as an estimate in all the other statements I delivered in; but the case was widely different with Mr. Melvill: he had all the accounts of the India-House at command, consequently the means of stating the exact amount of the Company's profit for each of the periods for which those statements were given, instead of which he has adopted for every one the same amount of charges for salaries, charges in England, with interest and insurance, which of course, in my opinion, and I should think in the opinion of every merchant, must invalidate the whole of his

corrected statements. Since those statements were drawn out I have had an opportunity of seeing other official documents, from which all the charges on the Company's trade for one year may be more accurately collected, and I could, if the Committee desire it, deliver in a correction of former statements for the year alluded to; one that I think would at all events be a nearer approximate to the truth, that is, to the real result, than any that have yet been exhibited.

5331. In correcting your statements would not it be natural for Mr. Melvill to take the same years which you yourself had taken?—Certainly; but when Mr. Melvill came to correct errors in my statements, which I admitted from the very beginning those statements were liable to, I should have thought it reasonable to expect that he would have produced an actual statement of the out-turn of the Company's trade with China, if not with India, for the years adverted to, and the more especially as no such statement has ever yet been exhibited to the public.

5332. Although such a statement would be very valuable, would it be a correction of your particular statement?—If he showed the exact result of the Company's trade, and could show that there was such a profit upon the trade as he has deduced from his corrected statement, then it would be a real and satisfactory correction of my error, instead of the fanciful or estimated one he has now given, and which, in such case, I should be most ready to acknowledge.

5333. You have expressed your belief that the deduction to be made from the tea imported by the Company for wastage and allowance must exceed two per cent.; would not your opinion be changed if by official documents it should appear that you are mistaken?—Of course it would, as regards the Company's importations, if the document were complete, and certified under official responsibility.

5334. As you in your statements assumed the gross imports of one year as the quantity all accounted for in the sales of the succeeding year, reckoning the difference as wastage (in the amount of which you and the Company are at variance), was it not proper, in correcting your statements, to bring to account the difference; and should you not now say that this is explanatory of the variation between the sale quantity in your statement, and that introduced by Mr. Melvill, as far as that difference went?—Upon my examination on Thursday last I explained very particularly the grounds on which I adopted four per cent. as a moderate allowance for wastage, including what is called the allowance for draught in this country. That two per cent. should cover those two heads of wastage appears to me almost incredible; more especially as the allowance for draught, as it is called, amounts to very nearly one and a half

17 May 1830.

R. Rickards, Esq.

per cent. of the whole amount; and therefore, to suppose that there has only been one-half or two-thirds per cent. of real wastage upon the tea on the passage home, is a circumstance which I cannot account for; neither is it consistent with the experience of any private merchant who has traded in tea that I have consulted on this head. I may further add, that the Company allow equal, on an average, to about one-half per cent. on what is called the turn of the scale. These two allowances, therefore, are equal to two per cent., leaving nothing for wastage on the passage home, or until the period of its being weighed off to the buyers; a period generally of twenty months to two years.

5335. You have alluded to the allowance for draught by that term; do you not mean the allowance made by the East-India Company to the retail dealers for the wastage which they may suffer in retailing their teas?—That may be the motive; but the allowance is granted to buyers at the public sales, and amounts, as I have explained, to one pound upon every chest, besides what is allowed for the turn of the scale.

5336. Do you compute that one pound for every chest would amount to one and a half per cent.?—A chest of black tea weighs about 70 pounds on the average, a chest of green tea about 60 pounds; therefore one pound allowed upon those chests is equal to something more than one and a third per cent.

5337. You have included in your statement, in page 425, in answer to question 3435*a*, as charges, interest on the Company's own capital as well as dividend to the proprietors; are you not aware that any interest which the Company's capital may have earned must form part of the fund which the law (53 Geo. III. c. 155, s. 57, called the Appropriation Clause) has made applicable to the charge of the dividend; and that therefore to charge the interest and the dividend is to charge the same thing twice? —I have already explained to the Committee my reason for giving in the statements which I did upon my former examination, and which were merely prepared to ascertain whether the received opinion was correct as to the net profits of the Company's China trade being sufficient, not only to pay the interest on home bond-debts and the dividends in this country, but to aid the territorial department with occasionally large advances. From my own inspection of the official documents before the public, I was unable to draw the same conclusion: on the contrary, it appeared to me that there was but a small amount of net profit on the Company's China trade; and at that time, having no means from official documents of ascertaining the results of the India trade, I was obliged to confine myself to the profit which appeared to result from the China trade. I was consequently at a loss to conceive where the Company could obtain funds for the payment of those two items, unless it were

17 May 1830.

R. Rickards, Esq.

from the revenues of India; and on drawing out my statement from the only official documents then before me, to show what the net profit on that trade was, I had reason to be confirmed in my belief. In that statement I included, as I believe every merchant would do, interest, and precisely the same sum of interest which is charged upon the concern where the Company make up a sum under the Act of Parliament to regulate their upset prices of the teas. I took that as the charge for interest upon the transaction, although it appeared to me that a much larger sum ought to be charged for interest upon mercantile principles. I have explained to the Committee, that according to the principle laid down by Mr. Melvill himself, in his answer 4298, wherein he admits that interest on mercantile principles should be charged from the time of the first expenditure to the time when the sale proceeds of the teas are realized, that the period which these sums had to run was upwards of three years instead of eighteen months, which he admits in another part of his examination to be the time for which interest has been charged; I should therefore say, that upon a fair mercantile statement of this account a much larger sum of interest is fairly debitable to it; notwithstanding which, I have only taken, as before mentioned, the sum of interest which I found in the official documents. As to its being twice charged in this account, that I presume cannot be supposed to be the case, if my position is correct, that the whole of the prime cost must have been originally borrowed from the revenues. Indeed the documents which I have had occasion to refer to this day go a great way in support of this fact; and if this sum has been so borrowed from the revenues, which revenues are now charged with the interest upon the whole of what is called the territorial debt, interest in this point of view is fairly chargeable upon this prime cost as due to the revenues, and therefore it is not a double entry, as it has nothing to do with the items of interest on the home bond-debt and dividends on stock, which are paid to other parties in this country.

5338. If, as a merchant, you were called upon to return an account of the profit and loss in a distant adventure, and you returned that account without debiting the account for interest upon the capital employed, or without debiting it for the premium of insurance incurred, supposing you were your own underwriter, should you not conceive that such statement of profit and loss would be a fallacious one?—Perfectly so. The interest is fairly chargeable upon the amount of the prime cost; because, even if it was a portion of the capital of a private merchant, it is so much deducted from the capital that was otherwise prevously beneficially employed, and therefore deprives him of the means of making that interest upon the whole amount of his capital which he otherwise would do. If that interest is returned to him at all, it must be returned out of the sale pro-

17 May 1830.

R. Rickards, Esq.

ceeds of the goods; and therefore, to credit it as Mr. Melvill has done in this statement twice, is in my opinion, an erroneous entry; at all events as regards a profit and loss account.

5339. Should you not conceive that it is the custom, as well as the duty of any mercantile man, who becomes his own underwriter, in keeping his books, to keep an account of the profits of underwriting, or the loss of underwriting, separate entirely from the particular adventures upon which he underwrites?—That is precisely what I have already explained in commenting upon Mr. Melvill's insertion here of a credit on account of insurance. In a former examination I have stated that this sum which he has credited, £44,593, for the amount saved by the Company in the mode of effecting their insurance, has no business whatever here; it should be carried to the credit of the underwriting account; and if that account exhibits a balance in favour, it is of course the underwriter's profit; but if the balance is unfavourable, as is often the case, it is then an actual loss; at all events, this credit item has no business here. I should also say the same of interest. I believe that most merchants on a large scale keep an interest-account. I know that I do; and in such a case as the one here stated, I should carry the interest gained on the transaction to the credit of interest-account; and if the interest-account exhibited a balance in favour, that balance would be a profit, but not otherwise.

5340. Should you not consider that the interest on the Company's capital was to be considered as a receipt that was to be made applicable to the charge of the dividend?—Certainly, if interest is gained in the way I have mentioned, and gained on the employment of real capital; but in the case before us interest would be chargeable, in the first instance, on the portion of capital which is employed in the China trade, since the capital would be losing so much interest during the time this portion of it was so employed, and if returned it must come out of the sale proceeds of the goods; it cannot be gained in any other way.

5341. You know that previously to 1813 the accounts of the Company's territory and trade were made up together; but that by the 64th section of the Act of 53 Geo. III. c. 155, they have since that period been separated, and are now kept quite distinct; do you not also know that the annual accounts framed upon that law of separation show a very large amount of assets belonging to the commercial branch, and is not this large amount shown at pages 61 and 62 of the papers as to the finances of India, presented by the King's command?—I know that the Act of 1813 required a complete separation of the territorial and commercial accounts, but the public have never seen yet such statements of the commercial account as would satisfy a mercantile man as to the real result of the Company's

17 May 1830.

R. Rickards, Esq.

commercial concerns. In respect to those assets which are enumerated in the voucher No. 25 of these papers, I perceive that some of them are stated at a valuation, of which I have no means of forming an accurate opinion; they may be exactly valued, or they may be undervalued or overvalued. I therefore take these amounts to be no criterion of the Company's commercial capital, more especially as one of the items contained in it, *videlicet*, £8,142,103, is there given in very vague terms, for there is a note of reference from it at the bottom of this account, which contains this remark: "This balance is subject to reduction by the amount of advances made in India from the territorial branch to the commercial branch in the Indian official year 1827-8. The documents whereby the amount of these advances is to be ascertained have not as yet been received from India, but which it is estimated may amount to £3,124,900, which will leave a balance due to the commerce of £5,017,203, including interest." This, therefore, is at best but a mere estimate. Of the remaining items of this account, if my view of the state of the Company's finances be correct, the whole or the greater part of the other items must have been furnished from the territorial revenues.

5342. Are you able to state how far the division of charges ordered at the commencement of the present charter under the heads of Political and Commercial, has been such as to charge commerce only with the charge which as a merchant you would admit; and is not an examination of each item necessary before any person can give a correct opinion on the result of those public accounts between territory and commerce?—I have seen no such account yet that would satisfy a commercial man as to the real out-turn of the Company's commercial concerns, or whether they included all those charges which a private merchant would put upon such an account; and I have always thought it, and still think it is most highly desirable that such an account should be laid before the public, for without it all conclusions that may be drawn from accounts which have been produced are liable to error on the part of any private individual who may take the trouble to examine them.

5343. Will you look at No. 25 of the accounts before the Committee, and state whether the results at the bottom of that account, under the head of Commercial Credits at home and afloat outward, can be depended upon as a correct account by which the actual state of the Company's affairs can be judged of?—I cannot draw any satisfactory conclusions from this statement.

5344. Will you state the grounds of your opinion that no accurate conclusion can be formed of the accuracy of this account?—I have remarked upon one item, which is very

17 May 1830.

R. Richards, Esq.

vaguely stated in this account, *videlicet*, the sum of £8,142,103. It is impossible for any body, without having the accounts of the India-House before him, to judge of the entire accuracy of this item. There are other items upon which a valuation is placed; and I submit to the Committee whether it is possible for any private individual to judge of the entire accurary of that valuation.

5345. Does not the very fact of this note, in addition to the item of £8,142,103, prove a desire on the part of the Company to give the best information to the House that it is in their power to give?—I have no doubt, from the great respectability of the Court of Directors, that they are perfectly disposed to give every information that can be desired by the Committee, and to give that information accurately; but I must repeat that that information is not yet before the public.

5346. Does not this note refer to a sum of £3,124,900 which may be estimated to be paid to the commerce, and which is not pretended to be an actual statement?—Still it is only an estimate; and an estimate, I maintain, is of no kind of value in an actual cash statement.

5347. Do you consider that the sum of £1,207,560, being the value of 3 per cent. reduced stock belonging to the Company, is not an actual asset in their hands?—That of course is.

5348. Is not the cash balance an actual asset?—I presume it is.

5349. Is not the amount of goods sold, not paid for, actual cash statements?—That will depend upon whether they are paid for or not. They may be sold for the amount stated, but the payment is not realized.

5350. Is it the custom of the Company to part with their goods till they are paid for?—In that respect the Company's sales are conducted in a very satisfactory manner; but it often happens that goods retained in the way that the question supposes in the Company's warehouses, till paid for, have never been cleared by the purchasers, and a loss has accrued upon the resale of them.

5351. Can you state whether that is not an accidental circumstance arising out of the depression of prices which has recently taken place?—It depends more upon the circumstances of the buyer at the time.

5352. Admitting, as you do, that those several items are actual cash statements, is it not reasonable to suppose that the other items are equally those which can be depended upon?—How for example can a private individual, like myself, say with precision what the value of the goods in England unsold is, or of the exports, or of almost all the other items? What can I

say is the value of the ships, sloops, and vessels, exclusive of those stationed abroad, and the value of the East-India House and warehouses? They may produce the sums stated in these accounts, or they may not.

5353. Is not a private merchant in the habit of valuing his property per estimate?—He is; but then the private merchant will probably well know the real value of his own property, when he cannot be expected to know the value of other persons'.

5354. Is not the Company in the situation of individuals, likely to know the value of their own property?—Certainly they ought to know the value of their own property, and they may have placed an accurate valuation upon it; but in respect to property of this kind, even a private individual is frequently greatly deceived by valuing it at a rate which will never be realized when it comes to be disposed of.

5355. Do you mean to say that the Company have less means of valuing their property than a private individual has?—No; but I say that I have no means of knowing whether this valuation is correct or not.

5356. Have you any reason to doubt it?—I have no means of judging.

5357. For instance: how would you understand, or how would any merchant understand this item, "value of goods unsold in England;" may it not mean either goods unsold valued at the cost price, or goods unsold valued at the probable sale price, or goods unsold, valued with a profit upon them; or is there any means of ascertaining with certainty what is meant?—That is precisely one of the items in which I feel that my information is defective. I have no hesitation in saying, that were I to value those goods in my own hands in an account of this kind, I should value them at the invoice cost; whereas I judge, from the amount at which they are valued here, that they are rated by the East-India Company at the expected sale-prices.

5358. In page 208 of the Third Report of the Select Committee of the House of Commons, which sat upon Foreign Trade in 1821, it is stated that the China Trade was "profitably conducted by the Company, and constituted their most plentiful resource in aiding the administration of the countries entrusted to their government." Do you, in contradiction to the opinion stated in this Report, still maintain that it is the territory which upholds and supports the trade?—My opinion has been already given upon that head, in opposition, as it appears, to high authorities. I cannot, however, alter my opinion upon this subject, unless I have proof of my error. The opinions of other persons, any more than my own, do not amount to proof; and with all the respect I entertain for the

17 May 1830. — *R. Rickards, Esq.*

authorities quoted at this table, I must still retain the view I have given of the Company's finances, till I can be convicted by actual proof of its being in error.

5359. You stated that, supposing the Company to have made a profit by being their own insurers, such profit has nothing to do in an account showing the adequacy or otherwise of the Company to pay the dividends and interest upon the bonds; are you not aware that the Act of 53 Geo. III. c. 155, s. 57, which you upon a former occasion read to the Committee, distinctly appropriates to those and other objects the whole of the Company's profits and other receipts, and therefore that to charge, as you did, the whole amount of the premium of insurance, without recrediting it as profit, would be to leave the Company in possession of what the law has directed them to appropriate?—It will be recollected by this Committee that I prepared this statement with no other view than to show that the net profit upon the China trade was not equal to the amount of interest on the home bond-debt and the dividends on stock payable in England; and I therefore drew out the statement in the way in which I believe every private merchant would draw out an account of profit and loss, charging it with interest and insurance, taking these two items from the only official documents then before me. If the Company, being their own underwriters, have upon that insurance made a profit, my position is, that that profit ought to be carried to the credit of their underwriting account; then, if on the balance of their underwriting account there is also a profit, that profit would come in aid of the payment of dividends, as required by Act of Parliament. The same may be said with regard to the interest. That interest, when it is made good by the return of the teas from China, ought, as I conceive, to be carried to an interest-account; and if the interest-account is profitable, that profit would also constitute an item out of which those payments, according to the Act of Parliament, should be made; but I conceive that these two items have nothing to do as credits in an account purporting to exhibit net profit; and this would be more especially the case, if, as I conceive, the amount of the prime cost of the goods has been borrowed from the revenues. But an account exhibiting the real profit or profits of the Company, from whatever sources they arise, with the appropriation thereof according to law, is precisely the thing which is now wanted, which the public, in my opinion, has a right to expect, and which, if produced, wuld have been far more satisfactory in correcting errors or misconceptions, than any thing that has yet come forth from the India-House.

5360. Have you ever seen the plan prepared in 1814, under the authority of the India Board, and submitted to this House, under which a separation is made between the territorial and

commercial concerns of the Company?—No, I have not seen the plan. 17 May 1830.

R. Rickards, Esq.

5361. You have remarked upon certain discrepancies in the accounts presented from the East-India House, and other papers presented by order of His Majesty, which are now before this Committee; are you not aware that some of those accounts are for a period of twenty years, and others are for a period of fourteen years, and that some are drawn up by the officers of the East-India House, and that others are analyzed and put together by the Accountant-General of the Commissioners for the affairs of India?—The discrepancies I have chiefly remarked in the examination of those accounts occur in the items given in for specific years: they are in some accounts stated at one amount for a particular year, and in other documents they are stated at another amount.

5362. Are you aware of the fact alluded to, that they do come from different quarters, and for different periods?—I cannot be aware of it until it is explained. When I spoke of discrepancies, I alluded to such as occurred at one and the same period. It often occurs, for example, that the quantity of tea sold, and the sale-prices of those teas, are differently stated in different accounts for the same year.

5363. You have particularly alluded to the sum of £550,866, which Mr. Melvill has inserted for freight on tea exported from Canton in 1827-8, and the sum of £647,319 stated in an official account dated the 17th March 1830; are you aware that the official statement in question comprises the freight accounts of the ships which arrived in England in 1827, and, therefore, that cannot correspond with Mr. Melvill's account of freight, chargeable on tea exported from Canton in 1827; and do you not observe, in reference to No. 32 of the printed papers, that the quantity of tea exported in 1826-7 was much larger than the quantity exported in 1827-8; that the quantity in 1826-7 was 38,567,525 pounds weight, and in 1827-8 was only 31,593,176 pounds, and does not therefore this difference of quantity account for the great difference in freight?—I cannot possibly account for the discrepancy in this respect from the account before me, because no such account as that stated in the question is given here; the reason for that discrepancy may be the one now explained; but I would beg leave to observe, in regard to Mr. Melvill's corrected statement of 1827-8, that he gives us 31,593,176 pounds as the amount of tea exported from Canton, whilst the freight and demurrage upon that quantity being £550,866 only, is different from the amount of the freight charged in No. 19 of the Accounts and Papers delivered in to the Select Committee in 1830, which is given at £647,319, and expressly stated to be the "freight from China to England" in that year, and to be the "actual amount" in that as in the

17 May 1830. — R. Rickards, Esq.

other years of that account. I must therefore still infer that the insertion of Mr. Melvill's corrected statement is an estimate, or a discrepancy requiring to be reconciled.

5364. But you are aware that one sum applies to the quantity of tea exported in 1827, and that the other is supposed to apply to the quantity of tea imported in 1827?—The sum of £550,866 for freight and demurrage is expressly stated in Mr. Melvill's statements to apply to the quantity of tea *exported* from Canton in 1827-8.

5365. The two quantities being very different in the subsequent years?—Yet the sum before mentioned is applied in this statement unquestionably to the amount or quantity of £31,593,176 lbs. of tea, and can be applied to nothing else.

5366. Are you not aware that the freights are not paid at the same time that the goods are sold, that they are occasionally paid before the goods arrive in port?—That does not alter my view of Mr. Melvill's statement, for which we have his express words.

Jovis, 20° *die Maii* 1830.

ROBERT RICKARDS, Esq. again called in, and examined.

20 May 1830. — R. Rickards, Esq.

5367. HAVE you, since you delivered in your statements of the trade to China, which have been observed upon by Mr. Melvill, had an opportunity of examining the returns subsequently laid before this Committee, purporting to be the real charges on the China trade during the years for which your statements were offered?—I have examined statements to that effect numbered 18 and 19, in the series of accounts and papers dated March 1830, and which contain the charges alluded to from the year 1823-4 to 1828-9 inclusive.

5368. How far do those returns support the accounts you have given in?—I must repeat, with reference to those accounts and statements, that in their present state they lead to no satisfactory conclusions; in other words, that they afford not the means of coming at the real result of the Company's trade. It is only a general conclusion that can be drawn from them; I stated as much upon my first examination; and with reference to the statements I then and subsequently delivered in to this Committee, Mr. Melvill has since been at pains to refute my statements by a series of what are termed corrected statements; and as these corrected statements may lead cursory

20 May 1830.

R. Rickards, Esq.

observers still to suppose that the profit on the China trade is as large as it has been generally reported to be, although from my analyis of these corrected statements it is quite obvious that the balances they exhibit are not even an approximation to true results, I prepared subsequently, for my own satisfaction, another statement, founded on the explanations given by Mr. Melvill and Mr. Lloyd, as to what constituted the item prime cost in the Company's accounts, and the result is contained in the two short statements which I hold in my hand, and which, with the permission of the Committee, I will now deliver in. No. 1 is drawn out according to the view which I have taken of the Company's financial accounts, and as I think a merchant would draw out a regular profit and loss account of any particular transaction ; the other is drawn out precisely on the principles contended for by Mr. Melvill in his corrected statements, in which the item of interest is altogether omitted, and only a small estimated sum of one per cent. included for insurance. I have selected for those statements the year 1827-8, and the sales of 1828-9, because in those years we have, in the official documents upon the table, a sale amount of tea corresponding with that which was imported in the preceding year, allowing only four per cent. for wastage and draught and turn of the scale, which, from the explanation I gave on my last examination before this Committee, I take to be a moderate allowance ; all the other items of this account are taken from the official documents which I have particularly referred to on the face of the account.

5369. What is the result?—The total deficiency, including the loss on the India trade, which I had not before the means of ascertaining on the authority of any official documents, amounts to £999,935, and the deficiency on No. 2 to £787,195.

5370. Do you mean that as compared with the deficiency shown in your third statement?—This is the deficiency on the statement made out after the explanations given in by Mr. Melvill and Mr. Lloyd as to the items of charge which I had in my previous statements ignorantly added to "prime cost," but which I find now ought to be included in that heterogeneous compound.

[*The Accounts referred to were delivered in and read, as follows :*]

20 May 1830.

R. Rickards, Esq.

1827-8.

No. 1.—STATEMENT of the Cost and Charges on Tea exported from Canton, from the year 1827-8, with the Sale Amount of a corresponding Quantity sold at the Company's Sale in 1828-9; showing also the Deficiency of Profits on the Company's Commercial Transactions to defray the Payment of the Dividends on Stock, and the Interest on the Home Bond Debt.

	£.		£.
Cost, 1827-8, of 31,593,176 lbs. of tea exported from Canton, as per No. 32 of Papers relating to the Trade with India and China, 4th June 1829..	1,981,419	Sale amount of 30,269,508 lbs. of tea in 1828-9, as per No. 41 of Papers relating to the Trade with India and China, February 1830, being a quantity with the allowance of about 4 per cent. for wastage, equal to that purchased in 1827-8..............	3,527,057
Freight and demurrage, as per No. 19 of "Accounts and Papers," delivered in to the Select Committee, 1830	647,319		
Salaries and emoluments to supracargoes and others, as per No. 18 of ditto	69,195		
Charges in England, as per 19 ditto..........	205,537		
Interest, as per ditto	243,234		
Insurance, as per ditto ..	61,281		
Profit........	319,072		
£	3,527,057	£	3,527,057
Interest on home bond-debts for 1828-9, as per No. 21 of Papers, &c., Feb. 1830	158,124		
Dividends on stock, per ditto................	629,071	Profit brought down	319,072
		Deficiency	468,123
£	787,195	£	787,195
Deficiency brought down .	468,123		
Loss on India trade, as per No. 4 of Papers delivered in to the Select Committee, March 1830........	531,812		
Total deficiency .. £	999,935		

1827-8. — 20 May 1830

R. Rickards, Esq.

No. 2.—STATEMENT of the Cost and Sales of Tea, &c. the same as the preceding Statement, but drawn out according to Mr. Melvill's View of the Account, and the Principle adopted in his Corrections.

	£.		£.
Prime cost, &c. *vide* preceding statement......	1,981,419	Sales, &c. as per preceding statement............	3,527,057
Freight and demurrage, ditto	647,319	Deficiency	715,234
Salaries and emoluments, &c., ditto	69,195		
Charges in England, ditto	205,537		
Insurance, (say 1 per cent.) estimated............	19,814		
Loss on the India trade, *vide* preceding statement	531,812		
	3,455,096		
Dividends and interest on home bond-debt, as per preceding statement ..	787,195		
£	4,242,291	£	4,242,291

5371. Are the Committee to understand that you deliver in these statements in corroboration of the opinions you have formed, and the statements you have previously given in?—As far as regards a general conclusion, they certainly do confirm my former opinion; but I must observe upon those statements that they appear to me, as I have always observed from the commencement, to be of little value besides.

5372. To what statements do you refer?—My own, and the whole of them: all the statements that have been laid before the Committee.

5373. State the reasons why you place little value upon them?—Because, in all the official documents which I have had an opportunity of inspecting, there is no such a thing as a regular mercantile account of the profit and loss on the Company's Indian or China trade, such as a respectable merchant of the city of London, or a professional accountant, would approve; and until a statement of that description is laid before the public, which I think the public have a right to expect, no satisfactory conclusion can be drawn as to the real profit, or otherwise, of the Company's trade. It is on this account, I say, that estimates, particularly such as are framed from imperfect data, must always be considered of little comparative value.

5374. The Committee are to understand that those statements made up by you are not considered of any great importance, because the data or documents supplied by the India-House do

20 May 1830.

R. Rickards, Esq.

not appear to you to be full and complete?—Exactly so; they only lead to the general conclusion with which I set out upon my first examination before this Committee, that there does not appear, from any thing that has been hitherto published, a sufficiency of profit on any portion of the Company's commercial concerns to defray certain charges in this country. This conclusion is moreover strongly confirmed to my mind, and I think will be obvious to other persons, from merely reflecting on the following circumstances. Let any person acquainted with the course of mercantile affairs, and the admitted fact of an universal depression of profits ever since the close of the last war, and the difficulties which private merchants have experienced in realizing even moderate profits upon concerns carried on with the most rigorous economy; let those facts, I say, be compared with the known mode in which the Company's trade is carried on; the great establishments kept up at the India-House for commercial purposes; the magnificent establishment at Canton, the equally magnificent establishments spread all over India for commercial purposes; the freights paid by the Company upon their shipping, averaging, according to one official document upon this table, £21. 10*s* per ton, and in another between £18 and £19 per ton, for doing that which a private merchant would accomplish for from £8 to £10 per ton; and likewise the very high rate at which the Company have on all occasions paid for their goods both in India and in China; and if he can, after combining all those facts, conceive it possible for the Company to realize any thing like a profit upon their trade, he must have other ways of computing profit to any which I am acquainted with; but whether the Company realize a profit upon their trade or not is, in my estimation, of little comparative importance. The great question, in my opinion, to be considered upon this occasion is that which I took the liberty of impressing upon the attention of the Committee at my first examination, *viz.* the immense advantages which must unquestionably result to this country, and to the eastern world at large, by the single act of opening the trade to Canton. We have here a question in which the great commercial interests of this country, the manufacturing interests, the shipping interests, and, by re-action, the agricultural interests, are deeply involved; and this I take to be of far greater importance than whether £200,000 or £300,000 can be made out more or less by the turning and twisting of figured statements.

5375. If all the documents submitted to Parliament, and those which you have seen that have been submitted to this Committee, of the commercial affairs of the Company, are as defective as you have stated, that no merchant can make up a satisfactory account from them to show the actual result and profit and loss from their commerce, will you state what kind of accounts should be furnished to enable the Committee correctly

to ascertain what has been the state of their trade?—Exactly such an account as I have just stated in a previous answer. 20 May 1830.

R. Rickards, Esq.

5376. What sort of an account do you conceive should be made out?—It should be such an account as a merchant would draw out to show the *real* result of his own affairs.

5377. Can you give a *pro forma* account of the manner in which the account should be kept?—It is impossible for me to give a *pro forma* account here. Neither should I think a *pro forma* necessary, if the accounts at the India-House are kept as mercantile books ought to be. From such books there can be no difficulty, I should think, of preparing such an account as would satisfy the public, containing the actual outgoings of the Company on one side, with their receipts on the other—a fair statement, in short, of mercantile transactions, prepared in mercantile form and on mercantile principles, such as any merchants are accustomed to prepare of all *bonâ fide* transactions.

5378. You are aware that by the 57th clause of the Act of 53 Geo. III. it is directed that the profits on commerce should be applied for certain purposes, the last being that all surplus should go in reduction of the principal of the debt in India. Are you able, from the accounts before the Committee, to show whether any surplus has been handed over to pay territorial debt agreeably to the Act?—In account No. 23 of the Papers relating to the Finances of India, page 49, there is a *memorandum* at the foot of that account in the following words:—"Amount set apart from surplus commercial profits for the liquidation of debt subsequent to the 1st of May 1814, and not deemed repayable by the territory." This, however, is but a simple memorandum or assertion; there is nothing that I can find in these official documents to show whence that surplus commercial profit arises; and this is another of the many instances which constantly meet us of the defective or imperfect state of these accounts. I observe also, in respect to that profit so set apart, that in the year 1824 it is stated at £4,754,903; the same sum is continued through the years 1825 and 1826, whence I conclude that there could be no surplus profits, real or estimated, in those years. In the following year, 1827, the amount is stated at £4,758,853, being a small advance on the preceding years of £3,950, whereas in the annual accounts laid before Parliament the increase of 1827 over 1826 is stated only at £124 or £125. This again is one of the many discrepancies which we find in these accounts, which may be capable of reconcilement by the officers of the India-House, but which it is impossible for an individual to account for from any explanations that are here given; and therefore it is that I say that those acconnts as now presented to the public, do not exhibit so satisfactory a result as the public have a right to expect. Neither can any such precise result be drawn or compiled from the imperfect information they contain.

29 May 1830.

Mr. J. Layton.

Mr. JAMES LAYTON called in, and examined.

5379. WHAT is your profession?—I am a tea broker.

5380. It is your business as a tea-broker to purchase tea at the East-India Company's sales for the wholesale tea-dealers of this country?—Certainly.

5381. In that business you are in the habit, at every sale of tea, of examining minutely the qualities of the different parcels?—I am.

5382. Were you called upon to value some samples of teas which were brought from abroad?—Yes.

5383. Where did you value them?—At my own counting-house.

5384. From whom did you receive them?—I received them from Mr. Jones; they were sent to me; I believe they came from the Board of Controul.

5385. They were sent to your office for examination?—They were.

5386. Did you examine them in company with any other tea-broker?—No; by myself only.

5387. Did you give your opinion without any concert with any other person?—No; we met afterwards and compared notes, and gave a valuation of prices in conjunction with several others; there were about a dozen more; there were many of those teas imported by the foreign companies. I look upon it that we have no such tea comes to the Company's sale, because the bulk of the teas that we have consists chiefly of the general qualities of bohea and congo tea, which form the chief consumption of this country.

5388. Did the other brokers examine them with you?—No, each examined them separately by their own samples; there were samples sent to ten or a dozen different houses.

5389. For the purpose of afterwards fixing on prices, did you afterwards meet together?—We met together and compared prices, and gave the result of that to the gentleman who sent the samples.

5390. Was the result an average?—Yes, an average, as nearly as we could put it, of what they would have sold for at the Company's sales.

5391. Was there much difference of opinion between you?—There was: in the finer sort of teas especially.

5392. Were there in the congos and boheas?—No, very little; hardly any at all; merely fractional parts.

5393. Were the samples of sufficient size to enable you to judge fairly of them?—Certainly.

5394. Were the prices you have affixed to the teas prices

which you thought similar teas would sell at at the Company's sales, or were they prices that they would sell at in the wholesale shops?—We have no idea what they sell at the wholesale shops, for they vary so much by 1*s.* per pound; but we fixed it at the price at which we supposed, had they been put up by the East-India Company at their sale, they would have reached, subject of course to the variation whether there is more or less of the finer quality.

20 May 1830.

Mr. J. Layton.

5395. With respect to the teas of more general consumption, more particularly the congo and bohea, was the price that you estimated them at with reference to the last sale-price of the Company, or with reference to the actual market-price at the time?—We were obliged to reckon them at the price we supposed they would sell at; there were several of those qualities of tea that the East-India Company do not import on their own account, but which are generally brought over by their officers, who have a private-trade, as it is called, which is a liberty to bring home such and such qualities; but we cannot answer for their qualities to compare them with the Company's teas. The East-India Company's teas are always clean teas, and well examined before they come to this country, which the others are not, for their trade is by barter. In general you cannot expect an officer who goes out to bring the dollars; but they receive so many chests of tea as they may purchase by barter. Of the price we know nothing.

5396. Were you told, when those samples were delivered to you, from whence they came?—No; we were summoned by Mr. Jones to come and see them at the Board of Controul Office; the number was so great it was impossible to form an opinion of them there; each of the brokers had the samples sent, and tasted them, as well as examined them by the appearance.

5397. Were you told from what part of the world they came?—We knew not from whence they came; the paper states them to be from the continent of Europe, but does not state from what countries.

5398. As to the teas of general consumption, particularly the bohea, congo, the hyson, and the twankay, setting aside any of the teas of which little is imported, were they teas of the qualities used for general consumption, and, upon the whole, of good fair quality?—Except the twankay tea, I think they were; that was inferior to what the Company usually have. The bohea tea was rather inferior, to the extent of 1*d.* or 1½*d.* per pound; but that is a tea not used, or very rarely, in London; that goes generally into the country, where they are obliged to sell it at a lower price, particularly to the manufacturers.

5399. Was the congo a fair quality?—It was not so clean as the Company's teas.

20 May 1830.

Mr. J. Layton.

5400. What do you mean by not so clean as the Company's teas?—It had a particular taste, shewing that it was not altogether so well selected.

5401. Some of the congo is put as high as 2s. 6d. a pound; have you much of the Company's congo that sells at so high a price?—There is some of the Company's congo that sells as high as 3s.

5402. Is the quality put here at 2s. 6d. a pound not a good quality?—It is a good quality of tea valued at 2s. 6d. a pound; but wherever samples have been taken, and have come from a distance, they depreciate, and also from the tea being in paper.

5403. Is it your opinion that the samples have not quite so fair a chance as if they had been drawn fresh from the chests in the Company's warehouses?—Decidedly not.

5404. Did the manner of sending them put them to some disadvantage?—Yes, particularly in the smell, which is a great thing we go by, as well as taste. Many of those that are called congo were a souchong kind of tea, which, by the names they gave them, they would not bear with ours.

5405. Were the green teas that came from New York of a good quality?—I do not know from whence they came, only the samples were taken from which we were to form our opinion.

5406. Were the green teas of a fair quality?—Some of them were, and some were very indifferent.

5407. How long had those samples been taken out of the chest before you saw them?—That I cannot say; I never saw the chests nor the packages.

5408. The prices of your valuation are of course what are called the short prices, that is, without the duty?—Yes, because we always buy and sell by the short price.

5409. Upon the whole were the congos and boheas of a quality that would find ready sale in this country?—Yes, they were sufficiently fine for sale; any tea that is clean and decent will always find a sale; for what is not sold in London the dealers will send to manufacturing places, and if the price is but congenial they will take anything, if it really is tea.

5410. Do you consider that the tea which is sold at the Company's sales is much adulterated in the tea-dealers' shops in London?—Not in London; I do not think there is any adulteration in tea; they mix the bohea, which sells at the Company's sales at about 1s. 5d. to 1s. 6d., with congo teas, because the duty is so heavy the people in the country cannot afford to give it. It is the fashion now to have every thing at a low price, and that pervades every thing; on the supposition, I suppose, that the people get too much profit; but they drink such tea there as I would not drink.

20 May 1830.

Mr. J. Layton.

5411. Did you ever look at the quality of tea sold in country towns and villages?—Yes.

5412. Do you consider it very much adulterated?—I consider it so much inferior, that if I go out I always like to take my tea with me; if I were going out of town, I mean.

5413. Is the adulteration there merely a mixture of inferior teas, or is it that some ingredients are mixed which are not teas at all?—I really cannot tell what it is composed of, and I defy any person to say what it consists of; it is like the coffee, which is sometimes mixed with what is, I suppose, ground beans.

5414. If a mixed sample of tea were presented to you, you could point out the portion of the different qualities, could you not?—That is rather difficult; I could no more tell than I could as to a pipe of wine, whether it was all of the right kind. I could tell whether it was good if I tasted it.

5415. Could not you tell whether there was any part which was not tea?—At times I might. I presume the question alludes to the mixture of adulterated leaves which took place some time ago.

5416. In your opinion, is not there a good deal sold in remote parts of the country as tea which is not tea at all?—Yes, I conceive there is; what I have tasted in considerable towns that they call tea, which is very bad; there has been black tea coloured and passed off as green tea when the price was very high—persons have been fined for so adulterating.

5417. Do not you consider that that disposition to adulterate arises very much from the people in the country not being able to get real tea at a reasonable price?—By no means; they may have it at a reasonable price; when a man sells six or a dozen chests in London he would be ashamed to do that, and he would be subjected to penalties; but in some part of the country, I think they will do those things: a country dealer is the most unfortunate being, living almost in a country shop. When there was a quantity imported from the Continent, when the East-India Company had not sufficient after the Commutation Act, there was the greatest importation of rubbish that ever was exhibited in this country.

5418. From whence did it come?—From Holland chiefly.

5419. Is there a sufficiency of the low-priced teas put up at the sales?—I think that 1,200,000 pounds of the common boheas is sold every sale, or as nearly as possible.

5420. Is there as much as the consumption will take?—Quite so; in fact we refuse tea almost at every sale. An observation has been made, from Scotland, principally, that the East-India Company did not put up enough; but as soon as they put up more, they found fault directly, because it lowered the prices of their stock in hand.

20 May 1830. — Mr. J. Layton.

5421. Do you mean to say that tea is refused at the upset price of the Company?—Yes.

5422. And that of qualities in ordinary consumption?—Yes; it has sometimes been bought at a higher price; the Company is bound by charter to put up their teas at the price it stands them in; the advance price is supposed to be their profit; but when they do not fetch the upset price, at the following sale they are put up without a price and fetch as much as they can by competition.

5423. Where they are put up at the upset price, are there any of the teas of ordinary consumption, such as congos, ever refused at the upset price?—Yes, there were, last sale.

5424. Were they refused for quality, or for redundance of quantity?—Partly from both.

5425. How comes it that you, as a broker, pay any advance upon the upset price of the Company for any tea, where you are sure of getting some at the upset price itself, if the Company put up a sufficient quantity to lower the price down to the upset price?—The fact is, we buy the better sort, and refuse the inferior qualities if there is too much put up. I look upon the interest of the Company and the trade to be one and the same thing. If they put up a larger quantity than the consumption would carry off, then if that tea is put up next sale, and bought, the price of it only serves to lower the price of the other; the redundancy of the quantity will occasion that.

5426. If the Company were in the habit of putting up so much of any certain quality as that it should be rejected for redundancy, would it not necessarily follow that the teas of that quality must sell at the upset price?—The other teas would be refused of course, if they put up the same quality, and they have refused some of them; they would not buy any more than were wanted for consumption, for the sale is four times a year, and we seldom have an advance of a penny a pound; though the prompt is only the 29th of this month, any teas may be purchased at this time at the cost-price, except the common boheas, which have had a little run upon them, or only at an advance of a penny a pound.

5427. Generally speaking, the price at which they are sold is considerably above the upset price, is it not?—Yes, all teas must be above the upset price, unless where they have been refused at the former sale.

5428. If there were so much put up that a portion of it was refused, must it not follow that that portion so refused might have been bought by the trade at the upset price?—Supposing they had, and the consumption would not take it off, it would only remain on hand, and lower the price the succeeding sale;

it would not answer the purpose of any one to purchase more than he required.

5429. Would it not answer the purpose of any one if there always remains a portion which could at the close of the sale be got at the upset price, to purchase at that price?—They cannot buy that again at the upset price which is once refused; but at the succeeding sale they have the advantage of having that which has been refused at the upset price put up without a price, and they may purchase it at whatever it will fetch.

5430. Is it not the interest of the tea-dealer who buys the tea that the price should not considerably fall in the market?—I do not think the tea-dealers have much interest about it: if one could get tea a farthing a pound cheaper, he would do so. The squabble is as great as if they were to give away the tea instead of selling it.

5431. Is there any combination or agreement among the brokers as to the manner in which they shall conduct their purchases at the sale?—None at all. We hear one man say I want six lots, and another I want ten lots; but they cannot obtain them by asking for them.

5432. Do you consider the quality of the tea to be deteriorated by keeping?—Not if it is kept in a dry place; black teas are sometimes the better for it, but green teas suffer. I look upon it that in consequence of the mode of gathering it in China the bloom on the hyson and green teas falls off, and there is a rankness of taste comes upon it; in consequence, if it is kept a twelvemonth, I should say that is very inferior to one purchased at the last sale of the Company, though of the self-same description. The same with gunpowders, that are described under the denomination of old that has an unpleasant flavour.

5433. The black teas are not injured by keeping?—No, not at all, if they are kept in a proper place, and in good lead.

5434. You do not consider that if the Company's teas were sold immediately on their arrival they would be sold at higher prices?—No, not in black teas; but in green teas they would.

5435. Does tea gain or lose in weight by keeping?—I believe it gains, but it is so trifling; in a chest of 84 or 85 lbs. it may gain a pound, but it must lose sometimes. But we always buy and sell by the Company's weights. If they gave us more tea than we have paid for, we should sell at the same; we sell by the warrant, and the person judges of the article himself.

5436. Does the tea imported by the privileged trade sell so high as the Company's?—Very seldom; it is only when they import such tea as gunpowder tea, and such teas as the Company do not import, or there are scarcely any sold in the Company's sale, but the congos and hyson teas are reckoned far superior to those imported by the private trade officers, and

20 May 1830. fetch a higher price; we sometimes give as high as 5*s.* 6*d.* to 6*s.* a pound for Company's, while it is a rare thing for the private

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Mr. J. Layton. trade teas to make more than 3*s.* 10*d.* to 4*s.*

5437. How happens it that the Company's teas in their books are never marked as very good, or very fine, or superfine?—It has been left off since the Commutation Act.

5438. No teas are so marked now?—No; the trade taste the quality, and judge of them, as they take samples for themselves, and where they agree they suppose they are right.

5439. Do you mean to say tbat none of the teas that come to private individuals are superior to many of those sold by the Company?—Supposing a person has a relation at Canton, he sends a present of a box of tea, which he obtains from the hong merchant, and he gets it as a particular sort of thing, like a friend sending from Oporto a particular pipe of wine, but that is not a thing to be regarded in the market.

5440. The Company do not sell such teas as those?—That is a thing which is quite out of the way; it is something choice, and out of the way, like fine fruit from a gentleman's own garden.

5441. Are you of opinion, that if the Company were to import some teas of lower qualities than they at present import, they would be suitable for the consumption of the poorer classes of people?—I think they might; but that it would be very great impolicy for them to do so; that they would hurt the trade at large if they did so; the low bohea tea now is sufficiently low for consumption.

5442. What is the lowest price at which bohea tea sells?—1*s.* 5*d.*; it is put up at that, therefore one farthing per pound above that will purchase it; but it is mixed with other tea; it is then put down at the price at which they want to retail it; it is written up in London at 3*s.* a pound in various shops, sometimes at 3*s.* 4*d.*; that stands them in 2*s.* 10*d.*; the duty they pay is 96 per cent. upon that, and 100 per cent. on all above 2*s.* per pound.

5443. What does that sell at in the retail shops?—From 3*s.* to 3*s.* 4*d.*

5444. Do not you think that if instead of 3*s.* 4*d.*, good bohea tea could be sold in the country at 2*s.* for instance, that would materially increase the consumption?—I recollect perfectly well when the Commutation Act was passed, and then the price of tea was lowered very considerably, being subject to only twelve and a half per cent. duty, and the public at that time were so displeased with the quality of the tea, though they had the selfsame tea they would have had before, the Company took it all back at the same cost; the people would not drink the tea; they said it was bad, and some were even fools enough to go to

houses I could mention where they might have good hyson tea, which stood them in 5*s.* a pound, and pay 12*s.*, 14*s.*, and 16*s.* a pound, because they said it could not be good if offered at those low prices; and to this very day the best consumers of tea in this country, for the good of the tea-dealers, are the servants at your own houses, for they drink black tea at 6*s.* and 8*s.* a pound, when you may drink it, in many instances, at a shilling or two a pound less.

20 May 1830.

Mr. J. Layton.

5445. In the instances you refer to, the people concluded that the tea could not be good because it was cheap?—Yes; and if the Company imported lower priced teas, they would find fault with the very article they were in the habit of consuming, because it was at a much lower price.

5446. So that if by the reduction of duty the teas were sold at a much lower price, you think they would refuse to take them?—Yes; they would not drink the lower teas. I am convinced that was the effect which occurred at that time.

5447. Was the tea you speak of, that which was so bad which came from the Continent?—No; the tea I have seen on the Continent was a strange sort of mixture, it was bought of what are called the outside dealers in China; they sent over stuff which is not tea; it is prohibited now, but they only fine the officer for bringing it over; a good deal of that was what was called caper tea.

5448. You referred to some bad tea which came from the Continent; in what year was that?—I think about the year 1786 or 1787.

5449. How came it to be imported into this country?—The consumption was so great in consequence of the taking off such a mass of duty as was then attached to it; they paid 1*s.* a pound, and 25 per cent. upon the cost-price; the two duties were added together, and 15 per cent. added to that. There was not a tenth part sold by the East-India Company at that time which there is now.

5450. That was imported in consequence of the East-India Company not having a sufficient supply?—Yes, because they used to smuggle it; there was hardly a tea-dealer's house at that time but was under the necessity either of doing that or shutting up his shop.

5451. Do you conceive there is much smuggled tea in the trade now?—I think very little; there is a little perhaps at a few of the outports, but if there is, it is only the fine gunpowder tea; they make that answer, but by the time they have hawked it about the country it is very much the worse for it.

5452. Previous to the lowering the duty, during the great smuggling taking place, was not the best tea in the market the smuggled tea?—That I cannot say; I do not think it was; it

20 May 1830. — Mr. J. Layton. was brought in bags from the Continent by the smugglers, and hawked about the streets in various ways; but they used to buy the Company's teas to mix with it.

5453. You have stated that where a larger quantity than usual was put up by the Company complaint was made; by whom was that complaint made?—By the Scotch buyers; they happened to have a surplus quantity at that very moment.

5454. Supposing the tea-dealers generally to have a stock of tea on hand, it would not be for their interest that the teas at the Company's sales should sell at a lower price than at which they have purchased their own?—They would refrain from purchasing when they have got a stock in hand, for they can only take a certain portion, and they are obliged to pay the duty at the time they pay for the tea.

5455. Therefore they are interested in the price not failing?—It is their interest, if they have got a stock in hand; but where there are so many hundreds of them, they none of them keep a stock; they only buy what they conceive will be their consumption from sale to sale, for they would have to pay a large sum beforehand for the duty; the sales come so frequently, and they are delivered so early from the sale, that no person keeps a stock on hand; the remnant at the end of every sale is, I apprehend, very small in the dealers' hands.

5456. Are you at all acquainted with the foreign trade in tea?—I have been on the Continent, and have looked at their foreign tea-trade, and was very much surprised at seeing how little they understand of the matter. I went to Antwerp on purpose, and they took a chest of tea, and bored a small hole, and they took the sample out on a bare board, and said, "there is some fine tea for you."

5457. What should you say is the general quality of tea they bring?—It is chiefly the congo tea.

5458. And of an inferior description?—Yes.

5459. What is the comparative quality of the tea sold by the Company, and the samples you have examined?—I think that some of those samples of tea were picked qualities of tea superior.

5460. The question refers to the congos and boheas?—Those are not so good as others. I suppose the fine pekoes and others come from Russia; that they were overland teas.

5461. Are you acquainted with the description of teas called souchong, imported into America?—I know the quality of that tea, but I do not know what are imported into America. We used to ship to America in general rather an inferior sort of tea; we never sent fine souchong teas. Very few people will take very fine souchong teas, unless it is gentlemen who have a fine taste in this country.

5462. Did you ever drink tea made abroad?—Yes.

5463. What is your opinion of it as to quality, comparatively with that drank in this country?—That it is much inferior in quality.

5464. At what places did you drink it?—It was in Holland, at Antwerp, and round about; the teas were then inferior decidedly to ours. We went over and took tea with us, and tried their tea; I did it from curiosity; I found it very inferior, and very much neglected.

5465. At what time were you there?—I was there in the year 1814.

5466. You have not been abroad since that period?—No.

5467. Have you had any opportunity of ascertaining the quality of teas there at a later period?—I understand they have taken a greater quantity of fine hyson in Paris of late, but that that is chiefly owing to the number of English there.

5468. You will therefore infer that the demand for the better tea has produced a supply of the article on the Continent?—Where Englishmen go, I think it has.

5469. Are you aware that up to the years 1814 and 1815 there was very little tea sent to the continent of Europe?—Very little; there had been no encouragement.

5470. Are you aware that there is a considerable increase in the import of tea on the continent of Europe since that period?—Yes.

5471. The price of tea in Holland is lower than the price here, is it not; the short price?—I understand it is that they can find no sale for a great deal they have there. There was a great deal of money lost by their first importation.

5472. Do you conceive the difference of price is commensurate with the deterioration of quality?—In some instances it is.

5473. Supposing the tea-trade to be thrown open like any other trade, would it be for your interest as a broker, or not?—I have a very great donbt which way it would operate. I cannot give an answer to that question.

5474. A good deal of tea, probably, would be sold at Liverpool and the out-ports?—Yes; I suppose that it would be taken about the streets in barrows as other things are, and that then people would not take it at all.

5475. You think it is possible it might be to your injury, because people would leave off drinking it?—That would be, no doubt, to the injury of the dealers and the brokers.

5476. Did not you say that the reduction of price in 1786, from the reduction of duty, was the cause of importation from abroad?—It was obliged to be brought, because the Company had only two sales in a year, and they sold much less than they do now.

20 May 1830.

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Mr. J. Layton.

5477. Did they sell less tea at the period of that importation from abroad than they did before or after?—They sold a great deal more afterwards; but they had cleared the Company's warehouses of all the tea.

5478. What caused the Company's warehouses to be cleared?—The demand, which produced a scarcity.

5479. Was that the effect of increased consumption?—No; they sent over to the Continent to buy teas.

5480. What occasioned the scarcity?—Not having the quantity by them at the time. Directly the Commutation Act of the year 1784 passed, when they reduced it to 12½ per cent., so many turned tea-dealers; where there were 1,000 tea-dealers there were immediately 20,000.

5481. Did not that reduction of duty extend the demand?—Yes, because the stock held by those persons was excessive. If you have 100 or 1,000 shops, every one must have a portion of stock in them ready for sale, and there must be a surplus quantity on their hands, and there must be ten times the number provided. There were 1,000 instead of 100, and there are now 60,000 or 70,000 tea-dealers altogether in England. This can be known from the Excise.

5482. The taking off the duty at that time produced a very much increased demand in this country?—Yes, it did; but the tea was brought from the Continent which used to be smuggled in, and the India Company were obliged to buy that tea to supply their sales.

5483. Was it not the case before the passing of the Commutation Act, that the consumption of England in tea was in a very important degree supplied by smuggled tea?—I suppose three-fourths were smuggled in.

5484. As the demand increased from the lowering of the duty, and as the lowering of the duty checked the smuggling altogether, would it not necessarily follow that the demand upon the Continent for tea arose from that circumstance?—Certainly, because the tea that they imported found its way into this country.

5485. The smuggled tea came in from the Continent previously?—Yes; three-fourths of it were smuggled before that.

5486. Suppose the duty now was lowered to 12½ per cent., as it was by the Commutation Act, and that the Company were to reduce their charges so as to put the upset price 30 per cent. lower, would that increase the consumption of tea in this country or not?—It would increase the consumption, no doubt.

5487. You think that any thing that lowers the price would increase the demand?—Yes; but if the government were to lower the duty, it would have a greater effect than the Company lowering the prices; but that effect would be, that the prices

20 May 1830.

Mr. J. Layton.

would be better for the finer qualities, for they do not bear an equivalent to the lower qualities.

5488. Supposing the Company were to lower their prices 25 per cent., the reduction of prices to the consumer would be more than double that amount at the present rate of duty?—Certainly it would.

5489. Would not the lowering of the price by the Company have a greater effect than the mere lowering the duty by government?—It would come to the same point whether the government or the Company lowered it.

5490. You are of opinion that lowering the price would increase the consumption?—Yes.

5491. What is the ordinary advance upon the upset price at the Company's sales?—The congo teas, which they put up at 1*s*. 8*d*. per pound, sell at about 2*s*. 1*d*. on the average to 2*s*. 2*d*.; that is the principal profit, in my opinion, which the Company get upon their tea.

5492. The average increase upon the congo teas at that price may be taken at about 5*d*. to 6*d*.?—Yes; but that is only on a portion of them; for when they put up tea at 2*s*. 1*d*., it frequently fetches only a farthing more, or is in some instances refused.

5493. Do you know whether any of the brokers who attended at the Board of Control saw the tea in the chests in which it came over?—I understood that two or three of them did.

5494. How long had you the samples before you examined them?—Ten days.

5495. Did not the brokers say that they thought they should be able to examine the teas better if they took them home?—Yes, at their houses.

5496. At the time they made their request, they did not, of course, feel that the tea would be at all deteriorated by being taken out of the chest?—No.

5497. Are you aware of what difference there has been in the price of tea put up at the Company's sales; what fall there has been in those prices in your recollection?—Very trifling in point of price; I do not suppose there has been 2*d*. or 3*d*. a pound within the last ten years.

5498. Do you recollect farther back?—I do not, without referring to the sale books; but I do not think there has been any material reduction since the Commutation Act.

5499. Is the trade in the habit at all of remonstrating with the Company as to the quantity of tea they put up at a sale?—No.

5500. Are they never consulted?—Sometimes the clerk asks the question; but we never consider it of any consequence what answer we give, for we do not think it has any effect.

20 May 1830.

Mr. J. Layton.

5501. The trade never expresses an opinion that the quantity is too great or too small?—Yes, that they are overloaded with tea. They come there with long faces, as they do in other places, but they are never much attended to.

[*The Account referred to by the witness was delivered in and read, as follows:*]

SAMPLES of TEA from the Continent of Europe and America.

No.
1. Bohea.
2. Ditto.
3. Congo.
4. Ditto.
5. Campoi.
6. Ditto.
7. Souchong.
8. Ditto.
9. Ditto.
10. Pecco.
11. Ditto.
12. Ditto.
13. Hyson-skin.
14. Ditto.
15. Ditto.
16. Twankay.
17. Ditto.
18. Ditto.
19. Young Hyson.
20. Ditto.
21. Hyson.
22. Ditto.
23. Ditto.
24. Imperial.
25. Gunpowder.
26. Ditto.
27. Bohea.
28. Ditto.
29. Congo.
30. Ditto.
31. Ditto.
32. Campoo.
33. Ditto.
34. Ditto.
35. Souchong.

No.
36. Souchong.
37. Ditto.
38. Ditto.
39. Pecco.
40. Ditto.
41. Songlo.
42. Ditto.
43. Ditto.
44. Tonkay.
45. Ditto.
46. Ditto.
47. Hyson-skin.
48. Ditto.
49. Ditto.
50. Hyson.
51. Ditto.
52. Ditto.
53. Young Hyson.
54. Ditto.
55. Ditto.
56. Imperial.
57. Ditto.
58. Ditto.
59. Gunpowder.
60. Ditto.
61. Ditto.
62. Hyson-skin.
63. Songlo.
64. Hyson.
65. Imperial.
66. Gunpowder (Poudre à Canon.)
67. Bohea.
68. Kempoy.
69. Souchon.

No.
70. Souchon.
71. Pecco.
72. Black-flower tea.
73. Ditto.
74. Black family tea.
75. Ditto.
76. Green tea.
77. Ditto.
78. Hyson.
79. Ditto.
80. Ditto.
81. Young Hyson.
82. Ditto.
83. Hyson skin.
84. Ditto.
85. Souchong.
86. Ditto.
87. Ditto.
88. Pouchong.
89. Ditto.
90. Gunpowder.
91. Ditto.
92. Tonkay Hyson.
93. Souchong.
94. Ditto.
95. Hyson-skin.
96. Ditto.
97. Young Hyson.
98. Tonkay Hyson.
99. Hyson.
100. Ditto.
101. Ditto.
102. Ditto.
103. Ditto.

WILLIAM JAMES THOMPSON, Esq. called in, and examined.

W. J. Thompson, Esq.

5502. You are a tea-broker?—I am.

5503. Your business is to purchase at the Company's sale for account of the wholesale dealers in tea, is it not?—It is for the dealers generally, both wholesale and retail.

5504. Were you called upon to examine certain samples of tea by the Board of Control?—Yes.

5505. Did you examine them at the Board of Control, or

20 May 1830.

W. J. Thompson, Esq.

where?—At the Board of Control. The brokers who were appointed, with the exception of one, attended, and we were shown into two rooms, where the packages were. They were opened in our presence; and among us, dividing ourselves into parties, we put up the whole 103 samples, ten from each package; they were, with the lapse of one day, sent to our houses, where they were examined by each of us separately.

5506. You took that tea out of the chests at the Board of Control, and made it up into parcels to be sent to your own houses?—We took out of such packages as were chests, such as were boxes, such as were tin cases, such as were paper parcels, for they were in various packages.

5507. Were there many of them in paper parcels?—The greater part were in chests, boxes, and tin cases; not a very large part in chests, but there were some in paper parcels. I could state what they were by my memorandum.

5508. Do you consider that the samples of the teas of more general consumption, the congos, boheas, and hysons, were in a state to enable you fairly to judge of their quality?—Two or three of the samples were somewhat injured; they had a musty smell and a musty taste.

5509. Do you mean arising from the manner in which the samples had been treated, or do you suppose that bad taste and smell attached to the article in its former state?—I should suppose that mustiness arose from adventitious circumstance, subsequently to its shipment in China, but whether from the original package I cannot say.

5510. Did you suppose it to arise from the manner in which the sample had been kept?—In the bohea and congo I did not find any; in the campoy I did, and in the pekoe I did; they were in paper parcels.

5511. Upon examination did the brokers agree pretty well among themselves as to the value, or was there much difference of opinion?—There was on some samples difference of opinion, but those were samples not much in general use.

5512. There was not much difference of opinion upon the samples of teas of ordinary consumption?—With the exception of two or three samples, there was not; not more than two or three.

5513. Speaking of the teas of more general consumption, were they samples of good merchantable teas?—They were.

5514. Were they of such teas as would have sold readily in this country to a large extent?—Yes; and that our prices will show, as compared with the Company's.

5515. Were they upon the whole better or worse than teas of the same description of the East-India Company?—Very similar to the teas we have been accustomed to have in England

20 May 1830.

W. J. Thompson, Esq.

by the Company's own importation, and the importation of the officers in the privilege the Company permitted them to have.

5516. If those teas had been presented to you at the Company's sale, you would not have thought them either better or worse than the ordinary qualities offered for sale by the East-India Company?—Just so.

5517. You were not told where the samples came from?—It was understood that we were not to know, and therefore we did not inquire from whence the samples were brought.

5518. Did you know what the cost-price of the teas was at the places from whence the tea was sent before you made your valuation?—No; nor have I ever heard it.

5519. Do you think the tea in this country is to any extent adulterated in the retail shops?—I think it is not.

5520. Did you ever examine the teas that were sold in the small country towns and villages in England?—No, I have not had an opportunity; my residence has been in London for nearly twenty years.

5521. Do the teas deteriorate much by age?—I consider that the common black teas are improved by keeping, if they are kept in a proper place.

5522. By keeping two years?—Yes, I should say so decidedly, that the common sort of teas the East-India Company import are better liked by the public than they would if quite fresh; they used not to be, they are now.

5523. What is the quality of tea imported by the private trade?—Generally inferior to the Company's; some teas are better, but very seldom.

5524. They generally sell at proportionably less prices?—They do.

5525. You are not at all acquainted with the foreign market for tea?—No; I have seen samples of tea from abroad, but not very generally.

5526. Does that opinion of yours respecting the commoner kinds of tea being improved by keeping, apply to the very finest sorts of tea?—I mean to speak of black tea, because green teas become worse often by keeping; the hyson teas do; the black teas lose some of their finer properties by being kept; but they get stronger, and we have an increased demand in this country for strong teas.

5527. Do you apply that to the green teas?—No, the black only.

5528. Do you conceive that the green is improved by keeping?—Common green tea I do not think is much altered; the hyson tea will become deteriorated.

20 May 1830.

W. J. Thompson, Esq.

5529. The preservation of tea depends very much upon the place and manner in which it is kept, does it not?—Yes.

5530. Have you seen the Company's tea warehouses?—Yes, I have.

5531. Do you think them very well adapted to the preservation of tea?—Yes; the cellars are not; the warehouses are.

5532. Is the tea kept in cellars?—When the Company's warehouses have been very full the teas have been put into the cellars, and we had at the last March sale some teas which I have reason to think had been put into the cellars. I thought so from the smell. I inquired, and was informed they had been put there on being first imported, till they could be put above.

5533. Do you think that common bohea tea improves by keeping; is it not the case that if it has been kept more than one or two years, it sells for less?—I should not be inclined to think that. I should think it would sell at rather a higher price, because it would be stronger.

5534. The private trade teas are sold immediately on their arrival in this country?—As soon as they can be, that the officers may have their accounts closed.

5535. Do they sell at a higher price in consequence of being fresher?—No; but the quality is not so good as the Company's in general.

5536. It appears on looking at the brokers' book that there is no tea of a higher quality than good middling; and that the kinds called good, very good, and superfine, do not appear to be mentioned in this account; can you account for that?—Those terms are now very much out of use; they were adopted very many years ago; and when the Company importing a parcel of teas had in one break or chop two or three qualities, they were frequently obliged to take out chests that were very inferior, and perhaps mixed with leaves that were not altogether tea; but of late years the Company have, I suppose from their good regulations, avoided that, and we have no occasion to use the higher marks, so that they have sunk into disuse; but we differ in our use of the technical terms from their common acceptation; what we call middling, persons in general would call fine, and so on; our terms are too low for the real qualities.

5537. Since what time has the alteration taken place in the marking?—I have been a broker now for twenty-four or twenty-five years, and we have not used them since I have been a broker; we hardly ever use higher than good middling; we do now and then use the word "good" for some of the Company's best, perhaps two chops of hyson.

5538. Supposing teas of lower quality than the lowest now put up offered for sale, do you think there would be a considerable demand for those teas?—Yes, of the congos.

29 May 1830.

W. J. Thompson, Esq.

5539. Have you any reason to believe there is any quantity of what is called tea sold by the retailers in this country which is not tea in reality?—I think there is not any considerable quantity; there may be attempts to make an adulterated article, but not to any great extent.

5540. Do you think there are other vegetable substances mixed with the tea to any extent?—I think not.

5541. There is an impression that ash leaves and sloe leaves are mixed; do you think that that is done to any extent?—I do not mean to say that it is not done, because it was stated in the Excise a few years ago that they had discovered it to be prevalent; but I do not think that that goes to any extent.

5542. You are aware that before the commutation that was carried to a great extent?—So I am informed, but that was before my time.

5543. Are not the lower priced teas mixed to a considerable extent with the higher priced?—As a broker I cannot speak to that.

5544. Are you of opinion that if the price was considerably lower the demand would be greatly increased?—I think it would be increased.

5545. To a considerable degree?—I cannot indeed say; for the use of coffee is increasing, though to what extent it is increasing I cannot speak.

5546. Do you think that the consumption of coffee has beat out the consumption of tea to any extent in the country?—I do not think it has beaten it out; but I see by the returns that the consumption of coffee is increasing, while the consumption of tea, I believe, is not increasing, if it be not retrograding.

5547. Supposing the reduction in the price of tea equal to that of coffee, should you be sanguine that the consumption would increase in anything like the same proportion?—I should rather look to the event than offer an opinion upon that.

5548. There has been a considerable reduction in the price of coffee?—There has.

5549. And not a similar reduction in the prices of tea?—Not to the same proportion, perhaps; but there has been a considerable reduction in the prices of tea.

5550. Can you state in what proportion?—If I go back as far as twenty years, looking to my commencement in life, in twankay teas it is one-third; in congou teas it is one-third within twenty years.

5551. How is it in bohea teas?—That has varied less than the congou and the twankay.

5552. At the company's sales there is very little of the tea which does not sell above the upset price is there?—Sometimes

we have had during the last year at two or three of the Company's sales, tea which has not sold at the upset price; at the last March sale, the whole of the black tea put up did sell. 20 May 1830. — W. J. Thompson, Esq.

5553. At any considerable advance on the upset price?—The average, I should think, but I have not looked at it, from a penny to a penny halfpenny per pound on the common contract teas.

5554. Do you consider that the upset price has much to do with the sale price?—Yes, decidedly it has to do with it; because if the upset price were to be lowered, from the system the Company pursue with regard to the quantity they offer at each quarterly sale, the trade would give but a small advance upon that upset price.

5555. Does not the price mainly depend on the quantity put up for sale?—The price does depend upon the quantity put up for sale; but we have found that the Company have uniformly given quantities of tea equal to the expected consumption. The trade have considered that the Company being well informed have taken care to do so.

5556. Does the trade consider that the Company make a judicious decision as to the quantity put up at the sale?—That I cannot say; there is a difference of opinion prevailing.

5557. What is your own opinion?—My own is rather a mixed opinion; I should rather conceive the Company have a view to their own profit in the quantity of tea they put up, and that they do not overdo the trade.

5558. You conceive that they do regulate their quantity with a view to the amount of profit they expect to derive from it?—Yes; at the same time that I conceive they do regulate the quantity so as to be fully equal to the demand they expect, and that they calculate by former experience.

5559. You do not think that the trade has much to complain of from the manner in which the Company regulate the quantity put up for sale?—I should think not.

5560. Can you state when the fall in the price of tea you have spoken of commenced?—I think it commenced from about the year 1814, from about the time of the renewal of the Company's charter; that it has been gradually declining from about that time.

5561. State any facts from your papers which will establish that fact?—I should think the East-India Company keep an account of the average prices which would show that.

5562. Do not you imagine that the fall in price has been much greater since 1827 than it was previously to 1823?—Yes, I know that from recollection, but I think there is a fall since 1814.

5563. Do the brokers charge a commission on the purchases they make?—Yes, that is their only means of support.

Lunæ, 24° *die Maij* 1830.

PATRICK KELLY, LL.D. called in, and examined.

24 May 1830.

P. Kelly, LL.D.

5564. You have been directed by the Committee of the House of Lords to prepare a calculation of the results of the statements which have been made of the prices of tea which have been laid before that Committee?—I have.

5565. Can you furnish this Committee with a copy of the same?—I can; but the calculations are not quite ready.

5566. Will you have the goodness to explain, by a note on the paper, whether the duty is deducted or included in the prices, and on what principle the rates of exchange between the foreign and the British are computed?—I will.

5567. You are the author of the Universal Cambist, are you not?—I am.

5568. When the Court of Directors ordered standard weights from different parts of India to be sent to you, in order to complete that work, did you receive any standards from China?—No, nor could I learn that any had been ever received in this country.

5569. Will you state on what data you have made the calculations which appear respecting the weights of China in your Cambist?—From written authorities, chiefly German, French, and English, and their statements were found to agree with great exactness; but I have had a further corroboration of their accuracy by means of attested standards, which have been lately transmitted to England by Mr. Reeves, the East-India Company's Tea Inspector at Canton, and they are now in the possession of Mr. Goodhall, the Superintendent of the Company's tea warehouses in London.

5570. Then what do you now consider the real weights of China; and explain to the Committee how they are divided?—The tale is generally considered the unit, 16 of which makes the catty, and 100 catties the pecul. The tale is subdivided into 10 mace, 100 candareens, and 1,000 cash; and according to recent experiments, verified at the London Mint, it equals 580 grains troy, which is only one-fifth of a grain more than the statement in the Cambist. The catty and pecul are of course in proportion; but there is a discrepancy in commercial practice in the computation of the pecul, which ought to be noticed. It is reckoned to weigh 133⅓ lbs. avoirdupoise, but its true weight is 132 lbs. 9 oz. It is stated in old books at the India House to weigh 132⅔ lbs., and this addition of ⅔ lb. has no doubt been adopted for the convenience of calculation; for thus 3 peculs are reckoned to make 400 lbs.; 3 catties, 4 lbs.; and 3 tales 4 ounces avoirdupois. It may likewise diminish labour to observe that 24 tales answer exactly to 29 ounces troy.

5571. How are accounts kept in China?—In tales of 10 mace, 100 candareens, and 1,000 cash.

5572. What are the coins of China?—I believe they have no national coins, except cash, which are of base metal, and of variable value. Foreign coins, however, occasionally circulate, especially Spanish dollars, which are sometimes cut into small proportions for change. The tales, mace, and candareens are of course monies of account, and vary in their value according to circumstances.

5573. What is the sterling value of a tale weight of silver in British silver, in dollar silver, and in pure silver?—The tale weight of British standard silver at 5*s.* 2*d.* per oz. is worth $74\frac{9}{10}$*d.* sterling, and of dollar silver $72\frac{2}{10}$*d.* sterling. The same weight of pure silver is worth $80\frac{96}{100}$*d.* sterling, which is nearly the estimated value of the money tale in the books of the East-India Company, and was probably the origin of such valuation.

5574. What is the present value of the rupees of Calcutta, Madras, and Bombay, at 5*s.* 2*d.* per oz. British standard?—The sicca rupee of Calcutta is worth $24\frac{898}{1000}$*d.* sterling. The rupees of Madras and Bombay are each worth $23\frac{352}{1000}$*d.* sterling; and therefore the pound sterling equals $9\frac{639}{1000}$*d.* of the former, and $10\frac{277}{1000}$ of the latter.

Jovis, 3° *die Junii* 1830.

Mr. JOHN TRUELOCK, Surveyor of Tea Warehouses in the Excise, and Mr. WILLIAM WYBROW, Registrar of Tea Sales in the Excise, called in, and examined.

5575. HAVE the goodness to state the manner in which the East-India Company's tea-ships are unladen, and the teas deposited in the tea warehouses?—(Mr. *Truelock.*) When they are first brought into the East-India Docks, notice is given by the Company to the principal officer of excise of their intention to unload those teas. We then despatch a warehousekeeper down for that purpose; he sees each chest individually unloaded. There is a person appointed to attend our mark, and a number is cut, I believe, by the Company; but that does not come under my notice. There are also two clerks belonging to the Company attend at the same time at the side of the vessel in the dock. They are then placed in a covered caravan, locked by two locks, one of the excise and another of the Company, and sent up to the East-India warehouses. There are also two tickets sent by the same van in a box locked. When they arrive at the warehouse they are received by the revenue officers and the servants of the Company, who deposit them in the warehouses. That officer is called a Locker; he remains in each warehouse yard.

5576. What do those officers do?—They unlock the van, having a duplicate key of the box in which the key is sent from

3 June 1830.

Mr. J. Truelock, and Mr. W. Wybrow.

the docks enabling them to open the vans; they then deposit the teas in the warehouses, and examine to see that they correspond with the tickets placed in the box at the side for their information. They then return one of the tickets to show that they have received the tea safe. The other is sent to the Excise Office, to be entered in a book kept for that purpose. It is entered by two different officers, a locker and a warehouse-keeper, in books kept for that purpose.

5577. Do the excise charge the Company, on this paper sent in, with the amount of tea landed?—We do not weigh them at the landing.

5578. In what mode is the tare of the chest ascertained before it is put up for sale?—That is ascertained by emptying a certain quantity of them; they are picked out of the different breaks and beds as they come home in the ships. Probably it is a variety of quantities which are opened; thirty or forty chests may be opened, or five; it depends on circumstances. It is not a regular number that is examined; generally in proportion to the number taken by chance from among them.

5579. Does the registrar of tea take an account of the prices at which the tea is sold, and is the charge made on the Company accordingly?—(Mr. *Wybrow.*) Yes.

5580. What is the practice of registering the tea-sales with a view to ascertaining the price at which the public are entitled to the duty?—We receive catalogues with the number of each chest printed, from the Company; we have those ruled, in order to mark the prices and lines for the account, and from those prices taken at the sale duty is charged. If a lot of tea is put up at a certain price by the Company, when there is any advance on that price, even a farthing a pound, the lot is peremptorily sold; if they do not bid beyond the putting-up price the lot is refused, and it is put by, and brought forward at a subsequent time without price.

5581. At what periods are the sales of the Company?—In March, June, September, and December; there is a quarterly sale.

5582. Does any other list come under your inspection beyond that you receive from the East-India Company?—No; there are two catalogues, one kept by the accountant of excise, and another by me; they are both furnished by the East-India Company.

5583. After each day's sale are the prices compared by the different persons who have made the account of them, the registrar for tea-sales, the accountant, and the auctioneer?—They are.

5584. At the end of the sale is the same process pursued?—At the end of the sale there is a compare between the excise

accountant and myself, and the duty is charged on the account taken by us. 3 June 1830.

Mr. J. Truelock, and Mr. W. Wybrow.

5585. Are the teas weighed by the excise at the landing, or is the practice similar to that in respect of other merchandize? —(Mr. *Truelock.*) They are not weighed on the landing, but after they are put up for sale.

5586. Is the government satisfied with the weights as taken at the East-India Company's warehouses?—I never heard anything to the contrary. We consider the duty perfectly secure, being under our own lock; we make up every ship separately, and keep every ship's account completely separate.

5587. Do you mean to say that the chests are unloaded agreeably to the manifest?—Yes; if there is any variation we notice it.

5588. The whole of the labour is performed by the Company's officers?—Yes.

5589. And without charge to the public?—Yes.

5590. Is it not the officers' duty to see that the cargoes turn out agreeably to the manifest sent home with the ship?—That is the case.

5591. At what time, as far as you have information, is the duty collected by the Company paid to the Crown?—(Mr. *Wybrow.*) In about a fortnight after the prompt day.

5592. Have you any means of knowing whether there is any charge to the public in respect of that?—There is none whatever, that I am aware of.

5593. Are you solely employed about the tea?—(Mr. *Truelock.*) Yes.

5594. Are you paid by the Company, or by the government? —By the King.

5595. Have you no other duty to perform?—None but tea; we have nothing under our charge but tea.

5596. What is the total expense of the tea establishment in London?—There are about eighty-two of us employed, and the whole expense is under £10,000.

5597. Are those eighty-two persons employed in the receipt of the tea into the Company's warehouses, and the discharge of it?—Yes, they are.

5598. Are they required also to look into the stocks of the dealers?—No, not at all; those officers land the teas at the docks also.

5599. Are not officers of customs and excise put on board the Company's ships from China and India for the protection of the revenue, in the same manner as they are put on board other merchantmen?—I have no doubt of that; but it does not come under our department.

3 June 1830.

Mr. W. Truelock, and Mr. W. Wybrow.

5600. Do you not know that officers of customs and excise attend also at the East-India Docks, and the East-India House, for the protection of the revenue, as they attend at any other docks?—I have no doubt of that; but I cannot speak to it.

5601. You know the fact, as far as the excise are concerned?—Yes; we have officers attending there during the time that the ships are being unloaded, not at other times.

5602. Are not the officers of the excise employed to protect the revenue arising from tea in the same manner as they are employed to protect the revenue arising from tobacco, spirits, or any other article of import?—Yes, I apprehend it is the same.

5603. (*To* Mr. *Wybrow.*)—It is in your department to know the amount paid to the Crown for excise-duty?—I think it is about £3,300,000.

5604. The whole of the charge to the public in the excise department is about £10,000?—I must refer to Mr. Truelock for that.

(Mr. *Truelock.*)—That is without the establishment of the stocking officers. I am not aware of the expense of the establishment for superintending the dealers' stocks.

5605. Do you know any other amount of duty collected at so moderate a charge?—I do not feel competent to answer that question.

5606. Have you any means of knowing what per-centage the duty on tea was collected in Ireland?—No, I am not aware of that.

5607. There is no other expense connected with your department in superintending tea, except that incurred in London?—No, I am not aware of anything further than this establishment.

5608. (*To* Mr. *Wybrow.*)—Have you not known the duty amount to more than £3,300,000?—Yes; I merely state that as the average sum.

5609. The duty on tea has decreased of late years?—I am not prepared to state that; but I think it has rather decreased.

5610. Is there any superintendence of custom-house officers upon the India ships after they arrive in the river?—(Mr. *Truelock.*)—I believe there is an officer put in to take them up the river, what is called a tidesman, but I cannot speak positively to that; they are generally brought up by the custom-house officers till the excise take charge of them, and the custom-house officers remain in charge till the ship is discharged.

5611. Where does the custom-house officer come on board the ship?—In the Downs or Gravesend.

5612. What detriment do you apprehend would arise to the

revenue if the duty on tea was collected in the same manner as the duty on other articles, instead of being collected at the India warehouses, as it is?—I cannot answer that question, it would depend on so many circumstances.

5613. Would it be productive of loss, or not?—I apprehend that there cannot be any doubt of that.

5614. The qualities of teas are very different, are they not?—Very different.

5615. What is the practice as to the sale?—They are laid open, and the brokers take an ounce, if they please, out of each chest, returning an ounce of the same quality, which they bring with them; they have a little tin measure for the purpose, therefore there cannot be any thing of consequence taken.

5616. The quality is very various?—Certainly; the prices prove the different qualities.

5617. Do you know how long it is since the collection of the duty on tea has been placed under the excise?—I cannot say; I have been there thirty-five years, and it has been so ever since I have been in the excise; the customs had a small duty as well, but now it is entirely under the excise.

5618. Do you consider that there is a greater convenience in levying a duty *ad valorem* than a duty of so much a pound?—I should think, with respect to tea, it is now collected very concisely, and with very little trouble, and every person must know what the duty should be to a farthing; I do not know how it might be if it was altered; I think there must be a great increase of business of every description.

5619. Supposing the trade was thrown open, do you think the same system which is pursued in London might be followed in the out-ports?—I cannot say; it depends on whether they have the same conveniences; we have docks and warehouses which are very secure here; if they have the same places of security, it might be done, but it would be attended certainly with great additional trouble.

5620. Do you think there is any mode of collecting duty on teas so effectual and so likely to prevent fraud as the collection of the duty in the manner in which it is by the produce of the public sale?—It is impossible there should be.

5621. Have you any information of the extent of smuggling?—We know of smuggling only from the seizures; they are very trifling.

5622. What experience have you had in the collection of other branches of the revenue?—None whatever; I speak of the tea only.

5623. The answers you give are merely with respect to tea?—Yes.

3 June 1830. 5624. And that confined to the port of London?—Yes.

Mr. R. Truelock, and Mr. W. Wybrow. 5625. Have you had any opportunity of judging how far the tea might be landed safely at Liverpool?—None whatever; I consider the thing as satisfactorily done at present.

5626. What smuggling of tea have you ever known?—That does not come under our department; the seizures are made by the custom-house officers if there is any deficiency; we have no seizing deputation, but that is with the customs.

5627. You know that custom-house officers are put on board the ships?—Yes, I know that to be the fact.

JOSHUA BATES, Esq. again called in, and further examined.

J. Bates, Esq. 5628. Have you seen the observations made by Mr. Melvill upon the evidence given by you before this Committee on a former occasion?—I have.

5629. Will you state to the Committee how far you consider those observations of Mr. Melvill upon your evidence to be conclusive or not?—There are some slight errors in my evidence, which, with the permission of the Committee, I will correct; and in doing that will make those observations that occur to me upon the evidence of Mr. Melvill. On my first examination, Page 366. my answer to interrogatory 3430 should have been, that the freight was included in the 25 per cent. gross profit, which would leave from 5 to 10 per cent. net profit, according to the description of tea composing the cargo. On my second examination, in answering interrogatory 3980 *a*, in order to save the time of the Page 526. Committee I gave from memory the sterling price of a pound of congou tea; on revising my evidence I found I had committed an error, which I corrected, giving the true cost of tea at 29 tale, exchange 3*s.* 11*d.*, 14*d.* a 19. From this I deducted, for 14 months' interest from the date to the maturity of the bills, 5 per cent. or 70, leaving the cash cost at Canton 13*d.* a. 49. As to wastage, there can be none on tea. I had supposed in- Page 526. terrogatories 3987*a* and 3988*a* related to the difference in net weight here and in China arising from different allowances, which I was aware varied in different markets. On inquiry I found that the Company's purchases and sales were by real tare, throwing up to the buyer the half pounds, and sometimes the odd pounds, which allowances I thought more than compensated by the gain in weight which is invariable on tea brought to a moist climate. Mr. Lloyd states the real difference in net weight to be 2 per cent. He is probably right; but I do not think it worth while to disturb my figures, as I have overrated the freight very much. I had supposed that for so large an amount of tonnage many ships must go out in ballast; but Canton forms so natural a link in the chain of commercial operations with India, that a great portion of the tonnage would come

from Bengal and Bombay to Canton, and would not cost over 2*d.* per lb.; and from experience, since my last examination, I am convinced that $2\frac{1}{4}d.$ and $2\frac{1}{2}d.$ per lb. is high enough to fix the freight for the present time, or any time within three years. Mr. Melvill states that the exchange is taken at too favourable a rate, and that the Company have not been drawn on at that rate: he has not stated at what rate the Company were drawn on. By the statement of Mr. Lloyd it appears that more than 4,000,000 of tales of the 6,000,000 required for the year 1828-9 were derived from bills on Bengal, and the sale of British manufactures, near 2,000,000 being for bills on Bengal. The official valuation prevents my getting at the rate of exchange at which these bills were drawn; but I have here a Canton price-current of the 20th of February, which gives it at... 202
of March 200
and of April 202

If 202 Sicca rupees, per 100 dolls., be taken as the probable rate at which the Company negotiated their bills, the exchange at Calcutta being at 1*s.* $10\frac{3}{4}d.$ the exchange in London would have been established at a fraction under 3*s.* 10*d.* Bills in Calcutta are drawn at 30 days' sight from Canton; the interest gained would therefore compensate for the expense of passing the operation through Bengal. Mr. Melvill states that the Company have sold in 1829-30 only 27,455,063 lbs. of tea; but in the general account of imports and exports I find the quantity of tea retained for consumption, deducting exports to colonies, &c. in 1828, was 29,305,757, to this should be added upwards of 200,000 exported to the colonies, making $29\frac{1}{2}$ millions, which corresponds with Paper No. 38, signed T. G. Lloyd, by which it appears that the quantity sold in 1826 was... 29,409,251 lbs.
1827 30,327,169
1828 29,982,080

This amount includes the private trade, which, as now carried on in teas, is only a branch of the monopoly. Taking $29\frac{1}{2}$ millions, therefore, as the present consumption of those that are compelled to obtain their supply through the Company, and the difference between the price at which I have stated the tea could be sold and yield a profit, if free, and the Company's sale price, which is, $12\frac{14}{100}$, the total difference for the year 1829-30 would be £1,492,208. Since my last examination I have procured from Holland a sample of the tea which cost 29 tale, and also of that which sold at 3*s.* $1\frac{1}{2}d.$ and 2*s.* 7*d.* at the last sale of the Company; in my judgment, the Company's highest priced tea has the preference in quality, but that which sold at 2*s.* 7*d.* is barely equal to the sample from Holland. Mr. Melvill states that the average cost of the Company's congo tea, 1828-9, was 29 tales and a fraction. The Committee will understand that he probably speaks in the language of the India-House, which means that the cost of the tea in tales, the expenses of the fac-

3 June 1830. — J. Bates, Esq.

tory, loss on adventures in cotton, &c. &c. all added together, make that cost; for I cannot bring myself to believe that the Company's agents, who are clever men, would have bought congo tea at the prime cost, on the average (in the common acceptation of the term prime cost,) of 29 tales and a fraction, when the *highest contract price* was 29 to private traders, and teas of nearly equal quality were 60·1 at tale 18 in April, and the general prices-current quote it from 15 to 20 tales, with a heavy stock from December to that time. I never intended to state that the Company gained the sum of a million and a half, and can readily believe what Mr. Melvill states in regard to that.

5630. At what did the tea, which you state cost 29 tales, sell in Holland?—In Holland it will not fetch the cost at present. I beg to state that I have with me the prices-current to which I have referred.

5631. Do any other observations occur to you upon Mr. Melvill's remarks upon your evidence?—I have no other observations to make.

5632. Do those prices-current which you have produced now support the accuracy of the statement already given to the Committee as to the prices?—They do. January 1829 congo tea is quoted 18 to 20 tales per pecul, and February the 20th from 15 to 18; with this remark, "There is said to be left over 40,000 chests of congo and souchong, exclusive of the Company's winter teas; the prices are likely to be very low hereafter." March the 17th, 1829, the price had fallen to 15 to 17 tales. April the 6th congo tea is quoted at 15 tales; I have quoted it at 15 to 18, because I know that very good congo tea was bought at those prices.

5633. It would appear from your evidence that you rather think the Company buy their tea dearer than the private dealers?—The amount of what I have stated is, that I think the statement of Mr. Melvill embraces items which are not usually brought into the prime cost of tea; that therefore, according to my mode of estimating the cost of tea, he is incorrect.

5634. You observe that Mr. Melvill states that the Company pay at the rate of 29 tales and a fraction for their tea; and from the price-current to which you have referred, it appears that the highest was to be had in the month of March at 18 tales?—I did not state that *contract* tea was to be had at that price. Mr. Melvill states that the *average price* of congo tea was 29 and a fraction; I state that I cannot believe that the Company's agents, who are clever men, have purchased congo tea, of the qualities generally shipped, at the *average* prime cost, in the common acceptation of the term, of 29 tales and a fraction, when the *highest contract price* was 29 tales; and the inferior

qualities and the winter teas, not bought on contract, would reduce that average much below the price of 29. 3 June 1830.

J. Bates, Esq.

5635. Have you not read from the price-current that the price of winter teas was 18 tales, and in April reduced to 15 tales?—I have.

5636. Are you not aware that in the winter shipping is entirely over at that time?—I am not aware that it is, because I have seen invoices of teas at that period.

5637. Are you not aware that the Company are very large and extensive purchasers of teas?—I believe the Company make their purchases in a great degree by contract, which contracts must be entered into during previous or early parts of the year, and that the shipments are made in December; but that considerable portions of tea are purchased by the Company's agents in the market, perhaps 50,000 or 60,000 chests, at prices much lower. I have taken the highest price at 29; even the *contract prices* go down, according to the quality, to 23 tales; I think I cannot therefore believe that the average purchase-price of the Company's teas can be 29 and a fraction.

5638. Are you not aware, that after the best articles have been taken out of the market the refuse only remain, that may be had at a much inferior price?—I am quite aware of that.

5639. Does it not appear that if the Americans purchase teas at 14 tales, those who have purchased at 29 have purchased dear?—I should say that 29 tales may be a very fair contract price, but the contract prices for the different qualities of contract teas go down below 29 tales. I have stated that in the month of April congo tea, of No. 2 contract quality, cost but 18.

5640. Is that the Company's contract?—It is the same thing; the Company have not the exclusive privilege of contracting.

5641. What is No. 2. quality?—It is a quality below the first.

5642. Is it better or worse than what may be called the average quality?—I should think rather better; congo tea should be of very good quality at 29.

5643. At what time of the year was that?—The purchase was made in April 1829. The contract was entered into in the early part of the year, but the tea was shipped in December 1828.

5644. By whom was that contract made?—That contract was made by a correspondent of our house.

5645. Do private merchants make contracts as well as the Company for tea?—They do, and would oftener do so if they found it more profitable; but I apprehend they feel it more advisable to deal in the middling descriptions of tea.

5646. On reference to answers to questions 3251 and to 3256, Page 349.

3 June 1830.

J. Bates, Esq.

it appears that you have averred that it is very difficult to make even a par-remittance in teas; are the Committee not therefore to infer that the outward consignments have been profitable?—I should conceive so.

5647. Have the goodness to turn to the account of the 30th of April 1830, ordered to be printed 11th of May 1830; is it not the fact that since the Americans have taken manufactures from England, about two-thirds of their imports have been in specie?—I should think it very possible that might be the case.

5648. In that case, where was the profit to arise from to satisfy the merchants against the loss on absence of gain in the tea investments?—That part of the business relates to America entirely, and the profits alone on tea and silks form the inducement to operate. The expeditions to Canton from the United States are undertaken by a variety of persons; one man will put in 5,000 dollars, another 2,000, and so on, making up the capital for a cargo of tea; those persons have not extensive credit abroad, and they have no knowledge of trade in British manufactures; it is only the more extensive dealers who have made themselves acquainted with that, and have continued to operate in it.

5649. You were never in China?—Never.

5650. You say the reason they sent dollars is that they are without credit; how do they get credit?—The man who would send a few thousand dollars is unknown in the mercantile world; he may have no knowledge of British manufactures, and very little to with England.

5651. Do you think that persons who have money could not buy goods if it was an advantageous thing?—They are ignorant of the trade in goods; they know nothing about it; and it would require a double capital to send goods, the sales of which are sometimes slow.

5652. Do you mean in the great shipping ports of America? —Yes, and even in London, where it is carried on, but few persons understand it; I mean the details.

5653. Do you think that if the traders of London found it more advantageous to send goods than bullion, they would not adopt that mode?—They would, but it would take some time for them to understand it so as to conduct it successfully.

5654. Do you speak of manufactured goods?—Of manufactured goods. The persons who send out small sums of money may have no correspondents in London; they would have to deposit their money, and they prefer, in order to have less trouble, to send their silver; but that course, like the course to Bengal, was formerly very necessary. I think now it is not; and it is changing every day, and bills and credits are supplying the place of dollars.

5655. Upon the former occasion you stated that you could supply tea at two-thirds the cost price the Company's trade supply it at?—I stated that I would supply the consumer of tea at one-third less than the Company's sale-prices, and I calculated on its giving a very great profit; I meant one-third of the price at which the tea is sold at the Company's sales.

5656. Are you aware that prospectively the Company is likely to supply tea costing 2½*d.* per pound for its carriage home?—I am not aware of that. I am aware that the freight ought not to be more than that in 1834; and it appears from the paper shown to me, that the rate of freight will be that; I should think that probably competition might carry it a little lower, but not much.

5657. Will you refer to the paper now shown to you, and state whether you are aware that the Company's freights are likely to be as low as £12 per ton in the year 1834 [*an estimate of future freight being shown to the witness*]?—I see by this paper that £11. 19*s.* 11*d.* is put down as the freight of twenty ships in 1834; but I do not know the object for which this is made up.

5658. If such be the fact, would not your computation be an excessive one of the comparative cost of two-thirds?—I only made that offer for the present time; I do not know what it might be at a future time; the Company might reduce their prices by bringing more tea to market; they might reduce it to a price at which no one would be willing to compete; but I merely remarked, as a proof of the sincerity of my opinion, that I should be willing to contract to supply the tea at two-thirds of the Company's present sale prices.

5659. And that you compute that those prices would still give you what you call a fair commercial profit?—I was not without an employer in making the offer. I knew where I should get commission out of it.

5660. How much would your employer get?—He calculated on making a considerable sum.

5661. In making this calculation, that you can furnish tea to the English market at one-third less than the Company, at what rate per cent. do you reckon that you can purchase your tea cheaper in China than the Company do?—I cannot say if it would be bought any cheaper; persons on the spot differ as to the mode of buying. I am inclined to think it would be bought rather cheaper.

5662. Can you give any thing like a proportion?—I cannot.

5663. In your calculation have you reckoned the tea as purchased in China at the same rate at which the Company purchase?—My calculation was, that in the present improved way of carrying on trade, saving the immense expence of those

3 June 1830.

J. Bates, Esq.

large ships, and the small expence of the London, St. Catherine's, and other docks, in comparison with the present mode of managing tea, with the high price obtained by means of monopoly, would give a very large profit to the person who should import them on the present improved mode of doing things; that a person unfettered by any Act of Parliament, not having purchased large warehouses or docks to carry it on, would carry it on at a much less charge than the Company now do.

5664. And not being obliged to keep a stock?—Not being obliged to keep a stock; and he would spread his shipments from Canton over a greater portion of the year than the Company do.

5665. How much per cent. advance upon the prime cost of teas would remunerate the private trader?—That depends on the quality of the teas. I stated to the Committee that 25 per cent. upon a cargo of teas to the Continent, but those cargoes comprise a greater portion of fine teas; that would not be enough on teas to England. I should say he must carry it as high as 35 per cent.; that would leave a net commercial profit of 10 per cent., out of which the agent in Canton would be paid, and the merchant here would take the remainder.

5666. Would an advance of 25 per cent. on the prime cost leave a net profit of 10 per cent.?—On the finer qualities it would, for the expence of freight does not bear the same proportion on them; the finer the quality the less per-centage of gross profit may give the same result.

5667. Would you contract to supply tea for the consumer for the next five years for two-thirds of the price the Company will be likely to supply at, according to the documents on the table?—I could not make a contract which was to depend on another party; I think that would be hardly safe.

PART XII.

[8th to 17th JUNE 1830.]

MINUTES OF EVIDENCE

TAKEN BEFORE

THE SELECT COMMITTEE

OF

THE HOUSE OF LORDS,

APPOINTED TO ENQUIRE INTO

THE PRESENT STATE OF THE AFFAIRS

OF

THE EAST-INDIA COMPANY,

AND INTO THE

TRADE BETWEEN GREAT BRITAIN, THE EAST-INDIES, AND CHINA,

AND TO REPORT TO THE HOUSE.

LONDON:

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1830.

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MINUTES OF EVIDENCE.

Die Martis, 8° *Junii* 1830.

The LORD PRESIDENT in the Chair.

FRANCIS HASTINGS TOONE, Esq. is called in, and examined as follows:

8 June 1830.

F. H. Toone, Esq.

4830. HAVE you been in China?—I have been.

4831. What situation did you hold in China?—I was a civil servant in the Company's service in China.

4832. In what year did you go out to China?—In 1805.

4833. When did you leave China?—The last time, I left it at the end of 1826.

4834. Had you been absent, during that period, for any length of time?—Yes; I was twice absent during that time, I returned twice to Europe; once I was absent for three years, and another time for two.

4835. Your knowledge of China extends over a period of nearly twenty years?—Yes.

4836. What situation did you hold when you left China?—I was second member of the Select Committee.

4837. In what manner are the servants of the Company in China remunerated?—By a commission upon the sale of goods on the part of the East-India Company.

4838. What is the amount of your commission?—It is two per cent., subject to certain deductions, which make it less than two per cent.

4839. On the sale of what goods is that commission granted? —On the sale of all goods exported to China on account of the East-India Company, from England or from India, with the exception of bullion; and on all goods sent to London on the same account; also upon the teas by the East-India Company, for sale in Halifax and Quebec.

4840. Is that calculated on the sale price of those sold in London?—I understand that it is upon the net sale price.

4841. Is it calculated upon the sale price of the goods imported into China, or upon their invoice price?—I understand, upon the invoice price.

4842. The calculation, however, is made in England, is it? —It is.

4843. What other charges, in addition to those included in the two per cent. commission, are paid by the Company, for the management of their China trade, in China?—They pay the salaries of two tea inspectors, two surgeons, and an interpre-

8 June 1830.

F. H. Toone, Esq.

ter; there is also an allowance to the Commodore of the Indiamen, and a retiring pension paid to a former tea inspector, and the salaries of all the European servants connected with the factory—those are deductions from the two per cent.

4844. In addition to the two per cent., there are the charges of the rents of houses occupied by the factors?—Yes; the expenses of the table, and the rent of the factories, at Canton and Macao; those are the principal items. The removal of the factory to and from Macao forms another item.

4845. What additional per-centage upon the two per cent. commission do you apprehend all those charges to amount to? —I understand from the officers of the India House, that three per cent. covers the whole expense of the factory of every description.

4846. What is the amount of commission paid by private traders at the port of Canton to the agents who conduct their business?—From three to five per cent.; I have never known less than three; and I have generally understood that five per cent. has been charged by private agents.

4847. The trade of the Company at Canton then is conducted on a more economical footing, as regards the allowances of the servants and the commission paid by them, than the trade of individuals?—I believe it is, as far as I know it is.

4848. Do you apprehend that the trade of the Company at Canton could be conducted by fewer persons than are now employed?—I think it might be conducted by fewer leading persons, with clerks to execute their orders.

4849. In your opinion, is a long residence in China necessary to qualify a person to conduct trade with the Chinese?—I should say that a residence of three years in the country would qualify a man who was actively employed in commercial business during that period, to conduct commercial transactions with the Chinese.

4850. Is a knowledge of the Chinese language necessary?—It is useful, but not absolutely necessary; it is highly useful, no doubt; but not one of the private merchants resident in China has any knowledge of it.

4851. And they get on perfectly well without it?—They do so.

4852. What reduction, in your opinion, could be made in the charges of the factory at Canton, without diminishing its efficiency?—It would require four or five leading persons to conduct the business of the factory, and perhaps as many more to meet the contingencies of ill health, which might oblige them to return occasionally to Europe. I should say that with less than ten it could not be efficiently conducted, and that exclusive of mere clerks.

4853. The present number is twenty, is it not?—It is. 8 June 1830.

4854. In proportion as the capital of a merchant or mercantile body is large, the charge of conducting that trade is proportionably small, is it not?—Certainly. *F. H. Toone, Esq.*

4855. In what manner do you purchase the teas for the Company's investment?—We usually contract for the teas in the spring of the year, to be delivered in the following autumn and winter, and to be then shipped for Europe in that time.

4856. Do you purchase any teas not on contract?—Yes; to fill up the deficiencies which occur in the fulfilment of those contracts. The same body of merchants, namely, the Hong merchants, supply those teas as supply the teas to be received as contract teas.

4857. You make it a practice to reject all teas which do not come up to your standard?—Yes.

4858. Are those deficiencies in the merchants with whom you have contracted considerable?—With the younger and poorer merchants it often occurs; but not with the richer and senior merchants.

4859. Has the quantity of tea deficient in any year been considerable?—I think it has. There are five or six junior merchants in China, each of whom have occasionally failed to deliver a quantity of tea of proper quality, equal to the amount contracted for.

4860. Can you state the amount of the deficiency which has occurred at any time?—I cannot, at this moment.

4861. When you have been obliged to buy teas not on contract, have you found any difficulty in procuring them?—The black teas are placed almost entirely at our option; and we have found no difficulty in procuring a sufficient quantity to complete the cargoes of the ships consigned to us, although we have often been obliged to supply deficiencies in the delivery of contract teas by purchasing teas of lower qualities than we could have wished. With regard to the green teas, we have had to meet the competition of the Americans; and then we were unable occasionally to purchase the teas we wished, they giving higher prices for them than we deemed it advisable to do.

4862. Do you find that the teas you purchase in the open market have been dearer than those you purchased by contract?—They have been so sometimes in regard to green teas; but we generally purchase by the same scale of appreciation as is adopted for the regulation of the contracts.

4863. And with the same persons?—Yes; and we never purchase any teas except of the Hong merchants.

4864. Does the contract price vary from year to year?—With regard to the bulk of teas, it does not; as regard some

8 June 1830.

F. H. Toone, Esq.

classes of the green teas and souchong, it does. We vary the prices of them a little, to endeavour to get a supply more suited to the demand, and also to meet the competition of the Americans.

4865. Have you increased the price of green teas?—Yes, occasionally; when we had to contend with an active competition.

4866. Has the price of black tea diminished?—A diminution took place in the year 1825, of one tale per pecul on the principal contract—black teas; namely, on the congou teas.

4867. What was the whole number of tales per pecul you had paid for the black tea previous to the reduction?—It was divided into four classes, at 26, 27, 28, and 29 tales per pecul respectively, and we reduced each of those classes one tale.

4868. How is that contract price fixed?—Those prices have been fixed for a long series of years past; why they were so originally fixed I am not able to say; those prices were established when I went to China, more than twenty years ago.

4869. When the Hong merchants have contracted with the Company for a certain supply of tea, what do they do for the purpose of procuring that tea?—They make other contracts with native dealers to bring down the tea, and make them advances generally to the amount of about one-third of the value of this tea.

4870. How long previous to the delivery of the tea is that advance made?—About six months.

4871. What is the usual interest of money at Canton?—Between the Hong merchant and the merchant of the interior, from one to one and a quarter per cent. per month.

4872. Have you ascertained at what price the country merchants deliver the tea to the Hong merchants?—With regard to the congou, which forms the largest class of teas, about seventeen tales and a half per pecul are paid by the Hong merchants for tea of average contract quality.

4873. What charges, in addition to that price of seventeen tales and a half per pecul, are made upon the tea before it gets into the hands of the Hong merchants?—The Hong merchants estimate that three tales per pecul are necessary to cover the charges upon tea payable by them.

4874. That tea is delivered to the Company at a price varying from 25 to 29 tales per pecul?—Yes. The terms of the contracts for tea, made between the Hong and tea merchants, vary slightly from year to year; but the general practice is in accordance with the following statement. An average price is fixed, say at the rate of 17½ tales per pecul, with an agreement that for such parcels of the teas as may be received by the Company at 28 tales per pecul an augmentation of one tale shall be made to the tea merchant; and for such parcels as shall be

8 June 1830.

F. H. Toone, Esq.

received by the Company at the price of 25 tales only, a diminution of half a tale shall be allowed. The prices of 17*t.*, 17*t.* 5*m.*, and 18*t.* 5*m.* per pecul, between the Hong and tea merchants, correspond usually with those of 25, 26, and 28 tales per pecul between the Hong merchants and the Company.

4875. The profit, therefore, to the Hong merchant, on each delivery of teas, appears to be about twenty-five per cent., after deducting the interest on the advance made to the country dealer?—It is about five-and-twenty per cent., without taking the interest into consideration; no interest on the money paid in advance by the Hong merchant is charged to the country dealers; that is, the tea merchants.

4876. When a contract is made, or any engagement made, with an outside trader, are the teas delivered by him still delivered through a Hong merchant?—Always.

4877. Have you ascertained what commission the Hong merchant takes upon that delivery?—I am not able to say, but I understand it is moderate.

4878. The Hong merchants may therefore be considered in the light of brokers, taking a commission upon the sale of all the teas, and the transaction of all mercantile business at the port of Canton?—In regard to the sale of teas, they act chiefly as brokers. Some of the principal merchants speculate on their own account; they send a servant to the tea country with money to purchase teas on their own account, but the poorer merchants act almost entirely as brokers.

4879. In consideration of the profits they derive from that brokerage, they make certain payments to the government?—Yes.

4880. In what manner do the Americans and other nations conduct their trade at the port of Canton?—They deal very much with what are called the outside merchants; that is, with shopkeepers; but the goods bought of those persons must all pass through the hands of some of the Hong merchants.

4881. Do those outside merchants deliver teas of as good quality as the Hong merchants?—I have understood that their teas are certainly not so good as the best of those furnished by the senior merchants.

4882. They again contract with country merchants for the delivery of those teas?—Yes, they do.

4883. In what manner do the officers of the Company's ships conduct their trade?—Chiefly with the outside merchants.

4884. The factory of the Company do not interfere in the management of that trade?—Not in the slightest degree.

4885. Is it understood that they purchase teas of as good a quality and at as low a price as the Company?—I have understood from several of the commanders themselves, that they do not get teas on such good terms as the Company do.

8 June 1830.

F. H. Toone, Esq.

4886. Do you apprehend that the Americans get their teas on as good terms as the Company?—I apprehend not, on an average of years.

4887. In what different modes does the Factory of Canton provide funds for the Company's investment?—The deficit beyond the produce of the goods imported from London and India is supplied by drawing bills upon the government of Bengal or the Court of Directors.

4888. Those bills upon the government of Bengal are drawn to a great extent every year, are they not?—Yes, they are; to the extent of a million and a half or two millions of dollars; sometimes exceeding that.

4889. How are the funds provided in China which are given to the Factory for the bills they give upon the government of India?—They are the proceeds of the opium chiefly, and the exports from India generally.

4890. In what manner are the funds placed in China which are received by the Factory for the bills given on the Court of Directors?—They are also in a great degree the produce of the Indian trade; those bills being used for the remittance of funds from China to India.

4891. Are the Americans in the habit of purchasing Company's bills on the Court of Directors?—No, not generally. The Americans have occasionally obtained their goods by the sale of bills on London themselves; they then come provided with letters of credit on commercial houses in London.

4892. In what manner are the sales of British manufacture conducted at Canton; in what manner is that price fixed?—The Company's servants send for the Hong merchants, and, shewing them the samples, allow them a time to make their offers; the goods are then sold, either by division amongst the whole body of Hong merchants in shares, or they are sold to the best bidder. The cotton from India is generally sold to the best bidder.

4893. Do you mean that the cotton is generally sold to the best bidder among the Hong merchants?—Yes. The woollens are divided among the merchants according to the shares of tea we have received from them.

4894. The two transactions, however, are kept distinct?—Quite distinct. The system of barter is never resorted to in the Company's service.

4895. In what manner do you convert the invoice price of the exports from England into Chinese currency?—At the rate of 6*s*. 8*d*. per tale weight of dollar silver.

4896. Is the tale really worth 6*s*. 8*d*. English currency?—The intrinsic value of the tale, at the mint price of 5*s*. 2*d*. per ounce of standard silver, would be about 6*s*.

4897. Therefore, when goods which in England have cost 20*s*.

are transferred to the Company's books in China, they appear as having cost three tales?—Yes, they do.

4898. The real cost in silver having been 18s., and not £1?—An invoice amount of £1 sterling is carried to account in our books at three tales; whereas, at the intrinsic value of the tale, that amount would be converted into three tales and about a third.

4899. What is the proportional value of the dollar and the tale?—In our books we carry them to account at the rate of seventy-two tales for a hundred dollars; one hundred dollars should weigh seventy-two tales. Dollars are always received by weight in China, and not by number.

4900. When you draw bills on India, do you draw at a fixed rate of exchange, or the mercantile rate of exchange of the day?—At the mercantile rate of the day.

4901. And the same when you draw on the Court of Directors?—Always.

4902. Then, as regards those sums, which amount to a very large portion of the sums with which you purchase the Company's investment at Canton, you obtain those funds as cheaply as any Indian merchant could obtain them?—Assuredly; and generally at a cheaper rate, in consideration of the superior security of the Company's bills. On Bengal we generally draw at the exchange of about 202 rupees for 100 dollars; whereas the intrinsic par rate would be 210 rupees per 100 dollars.

4903. How does the government of India calculate the invoice price of the goods which are sent to China?—They are stated in rupees; all their invoices are stated in rupees.

4904. How are those rupees converted into tales?—We convert them into dollars at their intrinsic value; then turn the dollars into tales at the rate of 72 tales for 100 dollars. The rate of exchange for the rupees of the different presidencies with dollars has been fixed by the Court of Directors on the basis of the intrinsic value of the coins respectively.

4905. Is the cotton so purchased in India, and paid for in dollars at the intrinsic value, obtained by the Canton treasury on more favourable terms than such cotton would be obtained by private merchants?—I presume that it is; but I am not able to state how the Bengal government purchase the cotton.

4906. Does the investment of cotton produce a profit in China?—Generally a considerable profit; there are occasions on which there has been a loss; but in general it has been a capital trade to the Company.

4907. Is much cotton sent from India by the country trade?—A good deal.

4908. It is cotton wool which is sent?—Yes.

4909. The exports from this country, of British manufactures, to Canton, has not been upon the whole profitable, has it?—

8 June 1830.

F. H. Toone, Esq.

There has been a loss upon the whole annual export I believe upon every occasion; it is now reduced, I think, to about £17,000 a year; the average loss upon the whole consignments of British manufactures formerly was much more.

4910. In what manner do you calculate that loss?—The account of every commodity imported is drawn up according to the practice of private merchants, as a debtor and creditor account, in the form of an account sale.

4911. Do you consider that there was a loss when those manufactures sold in China produced less bullion there than was paid for them in England?—I suppose there would be a loss in such a case.

4912. Is that the mode in which you calculate the loss?—We calculate according to the exchange I have mentioned, of 6*s*. 8*d*., upon that the profit and loss is calculated.

4913. Would not that mode of calculation produce an appearance of profit where there was actual loss, the tale being in reality 8*d*. less in value than it is calculated at in the Company's books?—So it would appear, I think According to that mode, the exports have been charged at less than the real cost; £1 sterling is charged at three tales instead of at three tales and a fraction; so that the debtor's side of the account in the China books is less than it would be if the principle of exchange were the intrinsic par.

4914. Then when those manufactures are sold they are sold for tales, which are likewise calculated in the books as being of more value than they really are?—Yes.

4915. So that in reality the loss is greater than it appears to be on the face of the account?—Without some consideration, I could not well answer that question.

4916. Has the price of British manufactures much diminished of late years in China?—The prices at which we sell them to the Chinese has been lowered.

4917. It has not, however, fallen so much as the invoice price of those manufactures in England?—Not so much.

4918. Has the sale of those manufactures been increased in China in proportion to the diminution of that price?—I do not think it has. With regard to the article of long ells, the quantity exported to China has diminished.

4919. The demand, therefore, of the Chinese does not appear to have increased in proportion to the diminution of price?—No, it has not.

4920. Do the merchants who purchase your manufactures find a difficulty in disposing of them?—They state a very great difficulty in selling many sorts of them. We have found it imprac-

ticable to obtain a remunerating price for the long ells consigned to us. With regard to the article of broad cloth, the Company export only that quantity which can be sold at a price which covers the cost and charges; and with regard to the third branch of our woollen exports to China, namely, the camlets, they have not been of late years a gainful article to the Company.

8 June 1830.

F. H. Toone, Esq.

4921. Have you yourself seen large quantities of British manufactures which appeared to be unsold in the warehouses of the Hong merchants?—Yes, I have; in the warehouse of the senior merchant Howqua, who from his wealth has been the largest purchaser of them.

4922. Do you understand that the Americans have derived much profit from the sale of British manufactures?—I did not understand so when I was in China. I have seen it stated since my return to England that they had sold them profitably.

4923. Have you ever been enabled to compare the quality of the manufactures they sell with the quality of the manufactures sold by the Company?—No, I have not.

4924. Does it appear to you that woollens have come more into use amongst the Chinese than they were formerly?—There is no reason whatever to suppose that; I should rather think the reverse.

4925. Have any efforts been made to extend the sale of the cotton manufactures of this country?—Several; there have been large importations on private accounts for several years past; the East-India Company have also from time to time exported cotton manufactures, but the out-turn has never covered the cost and charges.

4926. That has been less profitable than the export of woollens?—It has been so.

4927. The Chinese have a very good cotton manufacture of their own, have they not?—An excellent one; the people are chiefly clothed in cotton.

4928. Is it as cheap as the cotton of this country?—Taking into consideration its superiority of quality, in Chinese cotton cloth, it is considered by themselves as cheaper; it wears better.

4929. Do you apprehend that if the cotton manufactures of this country could be furnished at a cheaper rate than their own, and of equal goodness, there is any prejudice on their part which would prevent their purchasing them?—No prejudice, further than that I think the government would endeavour to protect their own manufactures, if the export of cotton from this country were carried to a very great extent.

4930. The Americans have not increased to any great extent their exports to China of manufactures, for the purpose of purchasing their teas, have they?—The export of manufactures to

8 June 1830.

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F. H. Toone, Esq.

China on the part of the Americans commenced very recently; I think in the year 1819 or 1820; previously to that their exports were almost wholly in dollars.

4931. A very large proportion of their exports is still in dollars, is it not?—I understand so, from the United States; though I have been informed otherwise since I arrived in Europe.

4932. They also give bills?—Yes; they occasionally draw bills on houses in London to a certain extent.

4933. Do you apprehend that you can, without affecting the exchange to a considerable extent, raise a larger sum in China by bills on the Court of Directors than has been raised?—At the present time, I imagine a very large sum could be raised by bills upon the Court of Directors, because there is a great demand for such bills in India.

4934. It appears that in one year a sum of £500,000, or nearly £600,000, was drawn on the Court of Directors; do you recollect the circumstances under which that was drawn?—I have not an accurate recollection, but I think the government of Bengal authorized us to do it rather than draw on Bengal.

4935. Do you recollect whether the drawing so large a sum affected the exchange?—I think the exchange was at that time 4*s.* 6*d.* or 4*s.* 4*d.* the dollar, which, as compared with the exchange now at 4*s.*, was high.

4936. You never found any difficulty in obtaining money for bills on the Supreme Government?—No; not when we gave an adequate exchange. We have endeavoured sometimes to lower the exchange too much, and in that case we failed. The merchants preferred sending their bullion to India to taking our bills.

4937. Do the merchants receive to any great extent bullion for the opium and cotton they export to China?—It is understood that the opium is almost wholly paid for in bullion, being a clandestine trade; and in fact any other payment would be useless to the sellers of opium; they could not take goods; there is no vend for them.

4938. In whose hands is the country trade to China?—Chiefly in the hands of the mercantile houses of Bombay and Calcutta; large mercantile houses.

4939. Chiefly British houses?—Almost entirely British houses.

4940. Not with Madras?—There is a very small trade with Madras; there passes only one private ship, I think, annually between Madras and China.

4941. Is any quantity of British manufactures sent to China by means of the country trade?—Latterly a great deal of cotton manufactured goods has been brought to China by country ships, which cotton goods had been unsaleable in the Straits of Malacca.

8 June 1830.

F. H. Toone, Esq.

4942. Have those cotton manufactures found a ready sale in China?—I understand by no means a ready sale.

4943. Have any woollens been sent by the country trade?—I cannot charge my memory with recollecting any woollens being sent to China of late years; some years since I recollect a quantity being sent from Bombay, which were not allowed to be landed.

4944. Is there at present any impediment thrown by the government of India, or the Factory in China, in the way of sending British manufactures through the country trade to Canton?—I should rather think not; but I am not quite certain on that point.

4945. There was at a former period?—Yes; the officers of the Company's ships were prohibited from exporting woollen goods to China, but within the last five years the Court of Directors have allowed them to enter into that trade freely; I should therefore imagine there is no prohibition whatever on that trade now.

4946. Is the country trade a direct trade to China, or does it pass through the Eastern Islands?—A direct trade.

4947. Then is Sincapore a dépôt for the produce of the Eastern Islands?—Yes; country ships come partly laden with cotton, and they fill up with the produce of the Eastern Islands—with rattans and such small articles.

4948. What are the principal articles, in addition to the dollars, received in exchange for the opium, which the country trade carries back to India?—Tea, sugar, silk, drugs of various kinds: the annual statements of the trade which are sent home to the India House will shew that accurately.

4949. By far the largest portion of those returns are made in dollars, are they not?—At Bombay there is a larger demand for Chinese produce than on the other side of India; there is always, in addition to the returns made by the Company's bills, a large annual export of silver to Calcutta and to Bombay.

4950. Do the officers of the Company's ships purchase any other articles than teas?—Drugs, raw silk, and nankeens are the principal articles.

4951. Do they purchase nankeens to any extent?—I believe within the last three or four years they have not; previously to that they did.

4952. The Americans have given up, to a great extent, the purchase of any articles but teas, have they not?—So I understand. As regards silk manufactured goods, I have heard American agents state that they could be better supplied from England than from China; and that they expected, in a very short time, the English silk manufactures would entirely supplant those of China in the market of the United States.

8 June 1830.

F. H. Toone, Esq.

4953. When you extended the demand for black tea, did you find any difficulty in obtaining it?—We extended the demand for black tea very gradually, and have never found any difficulty in getting a sufficiency.

4954. Is there any difficulty in obtaining an increased supply of green tea?—We have never been able to get as much green tea as the indents from London required, notwithstanding the prices which we gave.

4955. Is it understood that it requires a peculiarity of soil and climate for the production of it?—I have understood that tea of one kind or other is grown over a very large part of China, but that tea which suits the quality of our market is grown in only a few provinces; the black tea in the province of Fokien, and the green in those of Che-Kiang, Kiang-nan, and Kiang-Si.

4956. Is it understood that the Russians are supplied with tea from a totally different part of the country, and with tea of a totally different description?—They are supplied from the black tea country with that species of tea called pekoe; the same species is brought to London; it is the most expensive kind of black tea which is made, and with us is only used to intermix with other teas.

4957. Is it understood that the woollens are sent to every part of China?—So it is said.

4958. Are they subject to heavy duties of transit?—There is a considerable transit duty on the frontier of every province, to which they are subjected.

4959. Do you happen to know the additional price placed on those woollens by the time they arrive at Pekin?—I have not a memorandum of that.

4960. Do the woollens of England appear to be in use in Pekin?—When we were at Pekin the weather was exceedingly hot, when woollens were not used at all; it was in the height of summer.

4961. Did you understand that they were in use?—I think it was said not extensively.

4962. Did you understand that the manufactures of Russia were in use at Pekin?—I did not hear any thing respecting the Russian manufactures when we were there.

4963. Did you see any articles of Russian manufacture?—None.

4964. In what way are the officers of the Company's ships remunerated?—They have a small monthly pay, but their chief emolument arises from the shares of tonnage; about a hundred and three tons per ship are allotted to the commander and officers in the outward voyage from England to China and back again; in the voyages between India and China, two-fifths of the

8 June 1830.

F. H. Toone, Esq.

whole tonnage of the ship are allotted to the commander and officers.

4965. And the hundred and three tons between them in coming home?—Yes; between the captain and officers out and home.

4966. The teas purchased, and all the articles purchased by the Company's officers at Canton, are sold by the Company at their sales in London, are they not?—Yes; they are all taken into the Company's warehouses, and sold at the Company's sales.

4967. What duty do the officers pay to the Company upon that sale?—Upon tea, a duty of twenty-five per cent. is payable to the Company.

4968. In addition to the government duty?—Yes.

4969. That duty, therefore, is to a certain extent a compensation to the Company for the loss of the tonnage allowed to officers?—Certainly.

4970. Is it understood that the officers make profitable purchases of tea, notwithstanding the payment of the twenty-five per cent. duty?—I understand that very few officers in the direct trade between England and China derive much profit from it.

4971. Do they derive profit from the circuitous voyage?—Those voyages are occasionally very profitable. The commanders speculate in cotton; sometimes they gain; sometimes they lose; but upon the whole it is considered as a very gainful voyage.

4972. In what manner do they realize their fund in China for the purchase of tea in the direct voyages?—They have all small adventures outward bound; articles of small amount; in addition to that, I believe, they draw bills on England.

4973. Their situations are understood to be very valuable, are not they?—I do not consider the situation of a captain in the direct trade between England and China to be at all valuable; but it is believed that the circuitous voyages are profitable; considerable sums are paid to obtain the command of a ship, as has been supposed.

4974. In general, it is considered that they are much more highly remunerated than the commanders and officers of other trading ships, is it not?—As compared with the commanders of the ships which the Company hire for the conveyance of tea to Canada, they certainly are. I am not well acquainted with the remuneration given to the commanders of merchant ships generally in the other services.

4975. As far as your experience goes, do you apprehend that the Company derive any advantage from carrying on their trade with Canton in large ships instead of ships of smaller tonnage?—In larger ships the teas are more quickly taken on

8 June 1830.

F. H. Toone, Esq.

board, more readily stowed, and less injury and less breakage arises. I have understood there is a very considerable difference found in London between those brought in large and in small ships; those brought in the large appear to be in the best condition.

4976. Do you apprehend that a vessel of twelve hundred tons has in that respect a decided advantage over a ship of six hundred tons?—I can speak only from hearsay; I cannot speak from my own knowledge.

4977. Have you ever heard the value of that advantage estimated?—No, I have not.

4978. In point of security, do you apprehend a ship of five or six hundred tons to be as safe as a larger ship?—I believe a seaman would consider her quite as safe.

4979. Did any collisions take place between English seamen and Chinese while you were there?—There have been three or four cases of homicide committed by English seamen on Chinese while I was there.

4980. What measures were the results of those homicides?—The Chinese immediately addressed the Select Committee, and desired they would find out the guilty persons and deliver them up to them. The Committee professed a perfect readiness to do so, and endeavoured to find out the guilty persons; but in no case were they successful in bringing the charge home to any particular person, therefore they refused to deliver up any person. Upon that the trade was suspended; and here ensued a long discussion, which generally lasted six weeks or two months, at the end of which time some compromise took place. The Chinese allowed the trade to be reopened, and forewent the demand for the person to be delivered up.

4981. Do you apprehend the power exercised over the trade in the Company's factories could be as well exercised by a King's consul?—I apprehend not; because the Factory derive great influence over merchants by means of the trade which is in their hands, and the merchants have it in their power to influence the officers of government by their representations and explanations.

4982. As regards the country trade, could not a King's consul possess the same powers as are now in the hands of the Company's factors, and exercise those powers with equal efficiency?—I apprehend that he might do so.

4983. If the interference of a King's consul only took place when it was decidedly for the interest of trade that it should be exerted, would not the whole commercial influence of the merchants at Canton go with the consul, and place him in the same position in which the Company's Factory now stand?—I doubt whether the British merchants could be persuaded to

suspend their private transactions for the sake of any general benefit; therefore I consider they would not act cordially with the consul in suspending the trade, in order to induce the Chinese government to come to any reasonable terms in cases of dispute. We have seen on a late occasion that the Americans rather gave up a man whom they knew to be innocent, than submit to a detention of their ships.

8 June 1830.

F. H. Toone, Esq.

4984. If power were given to a King's consul by law over British traders at the port of Canton, in what manner do you think the consul could be best enabled to exercise that power; would it not be necessary that the ship's papers should be deposited with him?—That I conceive would be the most effectual manner of giving him a control.

4985. Do you apprehend that smuggling could be carried on as well on the coasts of China as it is in the mouth of the harbour of Canton?—An experiment was made about four or five years ago; three or four small ships went with opium to the coast of China, and I understand their success in disposing of it was very small; so much so, as not to induce a repetition of the experiment. I know of no other attempt which has been made to force a trade on the coast of China.

4986. Is there considerable intercourse carried on between Manilla and Canton?—A good deal of intercourse in small vessels between Macao and Manilla.

4987. By whom are those small vessels navigated?—They sail under the Spanish and Portuguese flags; but it is understood that a great many of them are the property of Chinese resident in Macao or Manilla.

4988. What are the cargoes of those ships?—They import the produce of the Malay Archipelago—rattans, betel nuts, birds'-nests, black-wood, and the general produce of the Malay Archipelago.

4989. Is there any trade now between the north-west coast of America and China?—I think there is generally one American ship about every two years, which comes from the north-west coast of America to China.

4990. Do the Chinese carry on any considerable trade with Japan?—I understand they are allowed to trade only in one part of Japan; and that they are more restricted and watched than even the Dutch, who are allowed to trade to the port of Nangasacky.

4991. Are great facilities given to trade in the port of Canton?—I believe there are greater facilities there than in almost any port in the world.

4992. Can the Chinese talk English enough to make it easy for Europeans to deal with them?—The whole commerce of the port of Canton is carried on by means of broken English.

8 June 1830.

F. H. Toone, Esq.

4993. So that an Englishman arriving at that port would find less inconvenience than he would in a port of France or Italy?—I should conceive so.

4994. Do you apprehend that, as regards the purchases of all teas in China, the Company carry on their trade as advantageously as any private individuals?—I should say, certainly.

4995. That if an individual makes profit by his purchases of teas in China, the Company could do so without the advantage of any monopoly?—I see no reason why they should not.

4996. Their purchases in China being effected as cheaply as those of individuals?—Certainly.

4997. So that if any greater difficulties are thrown in the way of their conducting their trade, under present circumstances, than in the way of individuals in conducting that trade, they must arise from charges not connected with the original purchase of the teas; greater freight, or greater charges in this country, or other circumstances not connected with the original purchase of teas?—Yes; they certainly have every advantage in carrying on the trade which any individual could have.

4998. Do not their large capital and their long establishment in the country give them great facilities?—I think so.

4999. Would it not be difficult for any individuals to contend against them on equal terms?—I do not see why a mercantile house provided with adequate means should not enter into the trade on nearly the same terms.

5000. But their capital and their long connection with China would give the Company great advantages?—It would give them some advantages, no doubt.

5001. Have there been any improvements in the quality of the cotton which is imported into China from India?—The importations of cotton wool from India vary very much in quality; some are good, and some are very indifferent. The Chinese frequently complain of portions of the importations of cotton being discoloured and of bad quality. The very best cotton wool imported into China is brought by the Company. I do not however mean to say that the whole of the Company's cotton is superior to that imported by private merchants.

5002. Is no American cotton introduced into China?—I think an experiment was made with a few bales once, but that it was found not to answer. It is more expensive than the Indian cotton. The Chinese would not give a price equivalent to the difference of the invoice cost of Indian and American cotton.

5003. In the event of a reduction of the duties on tea in this country, and a greater demand arising in consequence, would there be any difficulty in obtaining a proportionate increase of quantity in China?—With regard to the green teas, we have

found that the quantity produced has very slowly increased, notwithstanding we have exerted ourselves much to have it increased. With regard to black tea, I imagine that the quantity might certainly be gradually increased. We have never yet been able to obtain a full supply of green teas of suitable quality.

5004. You were understood to say that in some teas you have had difficulty, in consequence of competition with the Americans?—Yes, in some species of the green teas.

5005. They offered higher prices?—They outbade us. A great part of our green teas we secured by previous contracts; those of course were delivered to us; but when we wanted others, and wished to purchase in the market teas brought down by individuals with whom we had not contracted, it has occurred that we could not deal with them, the Americans giving higher prices than we thought ourselves justified in giving.

5006. Are the cotton goods exported from this country by the Company of the same description as those worn by the mass of the population in China?—They are chiefly such as the Chinese use in their garments; longcloths they call them.

5007. They were calculated for the wear of the poorer classes of people?—Exactly so; similar to the Chinese, but finer in fabric.

5008. You state that the Chinese cottons are, taking quality for quality, cheaper than British cotton?—Their cotton manufactures they say themselves are cheaper; they wear so much longer. The prime cost is dearer.

5009. How do they spin their cotton; by hand or machinery?—By hand.

5010. Do you know any thing of the comparative prices of that cotton spun by hand, and cotton twist manufactured in this country?—I am not able to give that information. The exports of cotton twist took place after I left China.

5011. You do not know to what extent any attempt has been made to supply the cotton twist from hence?—No; I merely heard that such attempts had been made by the Company and by individuals, but I am not accurately informed. I think the last year there was a large shipment by the Company.

5012. Have you understood there was a ready sale for cotton twist?—I have heard that there was a prospect of its paying the cost and charges, and that in consequence the East-India Company were going to export some.

5013. Are the various sorts of tea, whether black or green, now imported into this country, the same as used to be imported formerly in the earliest stages of the trade?—Very much so. The tea upon the whole has been improved in quality by the

8 June 1830.

F. H. Toone, Esq.

attention which has been paid to it; for instance, that called bohea now is very superior to that which bore that name fifteen or sixteen years ago.

5014. But it is the same tea, only more carefully prepared?—Yes; it is the lowest kind of black tea, but it is more carefully assorted, so as to exclude the coarser leaves of the plant.

5015. It loses its flavour by being kept, does it not?—Green tea does lose its flavour, but black tea is said to keep for two or three years without injury, if kept in a dry place.

5016. When the Company contract for teas, do they require the teas of a certain season?—The leaves of which the contract teas are made are picked and manufactured between the months of May and August, and are shipped during the succeeding winter.

5017. At what time are they brought into the market here?—They remain, I believe, a year in the warehouses; there is always a year's stock in the warehouses on hand. They are nearly a year old by the time they arrive in England; then they remain another year in the warehouses.

5018. You stated that there were heavy transit duties on woollens in China; do you know how they are levied?—At custom-houses, which we saw as we passed through the country, between one province and another.

5019. How are the goods carried?—By the canals.

5020. Do you know to what extent the duties raise the price of the woollen goods before they reach the northern provinces of the country?—I cannot say.

5021. Are the duties evaded?—There is a great deal of smuggling carried on in China. The interior of the country is said to be well supplied with opium, the whole of which must be smuggled.

5022. How are the Russian teas conveyed from China to St. Petersburgh?—I am not aware how they are sent; I should think they go by the grand canal to the north, to Pekin. I am not aware of the route between Pekin and Kiatca.

5023. Do you know the length of time it occupies in conveying them from Pekin to Petersburgh?—No, I do not; we were four months coming down from Pekin to Canton.

5024. You stated, that a large ship had great advantages in the stowage of the tea, as compared with a smaller one?—The chests are stowed much more rapidly, are less liable to be broken, and less damage is found to occur in the cargoes.

5025. In what respect is there greater damage as regards the voyage on board a smaller ship than a larger one?—The Company employed small ships to take teas to Canada, and have occasionally freighted with the same article small ships from China to London. I have heard that the teas taken in

those small ships were in a much worse condition than those taken in the large ships; that the packages were more broken, and they were injured also by leakage. In the year 1815 there was a number of small ships employed in the China trade, and I understood the teas taken by them turned out badly, in comparison with that imported in larger ships.

5026. Should you think that a land carriage of several thousand miles would be less likely to damage packages than a long voyage in a ship of 600 tons?—No. I should think they would be extremely liable to be damaged in a long land carriage. We know that a great deal of damage arises in bringing down the teas to Canton from the tea country; there is a considerable loss sustained therefrom in every year.

5027. The question refers to the transit to Petersburgh?—I imagine that there is a great deal of damage sustained by the article during such a transit.

5028. Is it not understood that the tea sold in Russia is of very good quality?—Yes; but it is packed in small packages, and consists of the most valuable sort of tea only. I suppose there is more care taken of such an adventure than could be given to the vast importations of tea into Canton.

5029. What is there to prevent a person packing chests of tea safely in a small vessel as well as in a large one?—It would take a great deal more time to load them.

5030. What difference of time do you conceive there would be?—That question I am not qualified to answer; the matter has been a subject of conversation with the captains who are engaged in stowing their ships with tea, and that is their opinion.

5031. Do you think there would be more difference of time in stowing teas than other commodities?—They are obliged to use a great deal of care in consequence of the tea-chests being made of fragile wood. In what precise degree a large ship is better adapted than a small one for the conveyance of tea I am not qualified to decide.

5032. By what class of persons are the long ells worn; for what purpose are they used?—Generally for furniture; but they are also worn by shopkeepers, and the general class of labourers.

5033. For curtains?—Yes; and coverings of chairs and tables, and beds.

5034. Are they the same sort of cloth called furniture cloth in this country?—I never saw them used in this country. It is a thin manufacture.

5035. The demand for them, you say, has fallen off in China? —It has not increased; the exports certainly have diminished, as compared to what the export of 1820 was.

8 June 1830.

F. H. Toone, Esq.

5036. If other persons export an equal quantity, then the demand cannot be said to have fallen off?—No; supposing that be made to appear.

5037. Camlets are universally used in China, are they not? —No, they are not; they are used chiefly for furniture, more than for clothing.

5038. Do you know in what manner the Americans conduct their trade with the outside merchants; do they carry it on as a trade of barter, or make it two transactions?—The Americans generally go into the market provided with dollars, therefore barter does not enter into their transactions.

5039. When they offer manufactures, what is done?—They sell manufactures to a small extent, and they observe a great deal of secrecy as to their mode of disposing of them.

5040. Have you heard it stated that the Americans make a profit on the export of British manufacture?—So I have seen that stated in printed papers.

5041. From your knowledge of the trade, can you understand how that occurs?—I should not have expected such a result, from my knowledge of the trade.

5042. They either must purchase their manufactures much cheaper than the Company, or sell them dearer, to bring about that result?—Certainly they must. The Company sustain a loss on their exports generally; the Americans affirm that they derive a profit.

5043. They sustain a loss, though the tale appears to be worth 6*s*. 8*d*. in their accounts, being really worth 6*s*.?—Yes.

5044. Are any part of the imports the Russians introduce into China woollens?—I understand they do introduce into China a good deal of the produce of Saxony.

5045. What description of goods are they; the finer woollens, or the coarser?—We had some specimens sent down to us a few years ago of the coarse woollens, and in consequence of that we sent them to England, and had cloth of the same kind manufactured and returned to Canton; but it would not realize the cost and charges, and the experiment was not repeated.

5046. Do you not conceive the cost and charge of conveying Saxon cloth to China by land greater than that of conveying to Canton by sea, and then sending them up the country?—That I am not able to say.

5047. Have there not been occasions on which the junior Hong merchants have lent their names for the purpose of conducting transactions directly with the country merchants?—The junior merchants were very much embarrassed, and in fact bankrupts; the Company's servants wished to support them, to keep up a number of persons with whom they might deal; and, on their part, they contracted with country merchants for the

delivery of teas, which were paid for at once, direct from the Company's factory. The object was to keep up a number of Hong merchants, that we might not be placed entirely within the control of three or four senior Hong merchants.

5048. Practically you stood, in your dealings with the country merchants, in the position in which the Hong merchants usually stand; engaging with them directly for the price of the teas?—Yes.

5049. Did you find that you contracted on better terms?—The contract was made with the country dealers on the same terms on which the senior merchants contracted with their dealers; the teas were brought to the Company according to the scale of prices adopted by the tea trade generally.

5050. Did you not in that case make, as an additional profit, the profit of the Hong merchant, deducting only that paid to the merchant for the use of his name?—The profit went of course to the junior Hong merchant; he had the whole profit allowed to him, as a mode of paying off his incumbrances. The object was to restore them to a situation of efficiency, that they might bear competition with the senior and richer merchants.

5051. He was allowed to have the same benefit as he would have had if he had traded with his own money?—Yes; just so.

5052. It has been stated that the teas brought by the Americans and others to Europe and elsewhere are of inferior quality to those imported to this country by the Company; is that so?—I believe they are so generally.

5053. Do you conceive that that tea of an inferior quality, so imported into Europe, is inferior to the mixture of dry sloe and ash leaves sold in this country for tea?—That is very probably not the case; but never having drank tea abroad, I cannot say. But the Americans think that they drink better tea than we do here, though they acknowledge that the tea they export from Canton is not so good as ours.

5054. Why have the East-India Company never endeavoured to introduce into consumption in this country that inferior kind of tea?—I believe it is because the tea-brokers, and those most conversant with the trade, have strongly recommended to them not to introduce that kind of tea; and that they acted upon the recommendation of the tea trade.

5055. Would the brokers have the power of imposing such a restriction upon the sale of tea if the importation of tea was more open in this country?—The brokers have the best opportunities of getting information, as I understand, regarding the peculiarities of the market. In the despatches we have received from the Court of Directors, they have always dwelt

8 June 1830.

F. H. Toone, Esq.

on the necessity of our keeping up the quality of tea, by not sending any such as would bring the article into discredit.

5056. Were you in China at the time the Americans first engaged in the trade to Canton?—There was a large trade carried on by the Americans when I first went out, in 1805.

5057. Can you state that the improvement in the American teas has kept pace with the improvement which you describe to have taken place in the teas of the East-India Company?—I have no means of answering that question.

5058. Are you aware of any instances in which English, European, or foreign capital has been lent to the hong or other merchants at Canton, so as to establish a direct interest between them and foreigners?—The junior merchants, and indeed all but two or three of the senior Hong merchants, have been in the habit of trading on capital furnished them by the houses of agency and others in Canton.

5059. Are such transactions carried on without any difficulty from the Chinese government or the Chinese laws?—I believe the Chinese laws will not recognize the right of Chinese to borrow money of Europeans.

5060. But, practically speaking, are such loans made, and the benefit of them received, without inconvenience, by foreign agents or capitalists?—I consider the agency houses to which I allude would, in a majority of cases, not have advanced money to the merchants without an understanding, that if the teas on which it was advanced were purchased by the Company, the money should be returned to them from the Company's factory, without going into the merchant's hands.

5061. Then they have to a certain degree the security in their own hands?—In that case they have security, and that to a considerable extent. If the teas, when brought to Canton, prove of such an inferior quality that the Company will not purchase them, then the lender would have no security but the honour of the Hong merchant.

5062. Are such loans made upon interest, or the expectation of receiving a participation of the profits?—In all cases of which I am informed, the loans were made at the rate of interest of one per cent. per month.

5063. Do you conceive that to be the established interest in China, or the particular interest attaching to those transactions?—I have understood that to be the usual rate, but I have known one and a-quarter per cent. paid by Hong merchants who have been obliged to borrow. A good deal of the trade of the junior merchants of late years has been under the control of the Company's Committee. From the distressed situation of those merchants, we could not allow any of our imports to go into their hands until the money for which they were sold was

brought to the factory. In some of those cases a deduction of one and a-quarter per cent. was made on the price given by the native dealer who purchased the goods of the junior Hong merchant, in consequence of prompt payment. 8 June 1830. F. H. Toone, Esq.

5064. Has any capital been advanced in the way you describe by Americans?—I have understood, largely; but there was no understanding between the Company's servants and the Americans with regard to the capital so advanced. I know it is a fact that large sums have been advanced by one American merchant to Hong merchants.

5065. Have you understood that the Americans have experienced any difficulties with regard to the reimbursement of such goods, or the profits arising from their employment, which have not been experienced by English merchants making similar advances?—No; I am not aware that they stand in a worse situation; excepting the cases in which certain British merchants advanced cash to Hong merchants, with an understanding with the Company's servants. That has been mentioned above.

5066. Will you state the causes of the distressed situation of the junior merchants at Canton?—The improvident conduct of the merchants, and their speculative habits.

5067. You stated that the teas furnished to the Americans were of inferior quality to those furnished to the Company; do you apply that observation to all descriptions of teas, or only particular descriptions?—We understand, generally, that the quality of their teas is inferior to that of the East-India Company.

5068. Do you apply that observation to green teas as well as others?—Yes; they export but a small quantity of black tea.

5069. You were understood to say that they gave such high prices for green tea as the Company did not feel justified in going to?—They gave high prices for teas of low qualities, which we did not feel justified in giving; that occurred in 1825 and 1826.

5070. Their competition increased the price of green teas, did it not?—Yes, in 1825 and 1826; but it has fallen since.

5071. Is green tea as cheap now as it was before that competition commenced?—I have not heard the prices of green tea since I left China, but they had fallen before I left. The price of twankay, which forms the bulk of our green teas, has remained the same for many years past.

5072. Is the larger quantity of green tea now delivered of the same quality as the smaller quantity was formerly?—Yes, it is, I believe, of the same average quality.

5073. But there has been great difficulty experienced in obtaining the additional supply?—We have always given the

8 June 1830.

F. H. Toone, Esq.

Hong merchants larger orders for green teas than they executed; they declared they were unable to procure green tea sufficient to meet our annual orders.

5074. That is, at the same price at which the smaller quantity has been before delivered?—Yes; at our fixed prices.

5075. Did they ask an increase of price, and say, that if they had an increase of price they could supply a greater quantity?—No, they did not. The bulk of our green tea consists of twankay, and that is a species of tea in which the Americans do not much deal; therefore they never suggested that our prices were insufficient to induce the manufacture of more, but that they could not get a larger supply.

5076. What is the species of green tea in which the Americans chiefly deal?—Hysons, hyson skins, and young hysons.

5077. Young hyson is one of the most delicate and finest teas, is it not?—It has not been thought much of in England, I understand, or the Company's officers would import it largely into this country.

5078. Has there been any difficulty in obtaining an increased supply of black tea?—We have never experienced any absolute deficiency in black tea. Some years the quantity brought down to Canton has been only sufficient to load the ships; in other years 100,000 or 150,000 chests have remained unsold at the end of the season; and then the best of them were purchased by the Company at reduced prices, to be shipped the following season.

5079. Does the Factory make it a practice to sell every year all the woollens and other manufactures they receive in the course of the year, whatever the price which may be obtained for them?—Almost always.

5080. No matter what the price?—No; except in some very rare instance, they are always sold, as otherwise they would interfere with the exports of the following season.

5081. There have not been cases in which the Directors have been advised to send out only a portion of the supply the following year, in consequence of your not being able to obtain an adequate price?—We have occasionally requested them to limit their supply; but never wholly to suspend their import.

5082. Have you ever been able to form an opinion, whether it would be possible to obtain, in the course of five to ten years, an increased supply to the extent of five or ten millions of pounds of tea from China?—That is a speculative question; but I think that the supply of black tea may be increased, and that in case of a steady demand it might be gradually increased to that.

5083. Is it black tea which is in general use throughout the country by the inhabitants?—It is.

8 June 1830.

F. H. Toone, Esq.

5084. Is that tea consumed by the poorest persons in China?—Tea of some kind or other is consumed by the poorest persons; but a great deal we saw used as tea we were told was the leaf of some other plant, not tea.

5085. Is tea consumed throughout China?—So we understood.

5086. It is supposed to be cultivated by individuals in their gardens; by the lower orders of people?—It is said so. In the province of Fokien there are large districts covered with it; it grows on the hilly grounds.

5087. Does it require any particular soil?—A light hilly ground, it is said, produces the best tea.

5088. Is not the shrub the same for all descriptions of tea?—That has been a disputed question, but we rather conceive it is; that it is only the difference of culture and preparation makes the difference between black and green tea; the crops are picked in the spring; the first in May; there are three selections of leaves in the course of the year.

5089. Do you know how soon the tea plant bears leaves?—I am not aware of that.

5090. Do you know whether the Chinese government make great efforts to prevent opium being imported?—They publish annually two or three edicts, denouncing the strongest punishment on those who may be caught smuggling; but notwithstanding that the trade is carried on with the utmost facility. It has increased within the last twenty years from 3,000 chests a year to 12,000 or 14,000 chests.

5091. Do you conceive that the efforts to prevent it are chiefly confined to those edicts?—They employ revenue boats to cruise and intercept the smugglers; but the commanders of those boats are understood to be bribed, and often to be the persons who convey the opium from the ships to the coast.

5092. Do not you apprehend that there would be a considerable demand in this country for that species of tea which you conceive the tea-brokers are averse to the consumption of?—I should think they were the best qualified to judge of the kind of teas suitable to the market. We have always understood that the way to extend the consumption of tea in this country was to maintain the quality of the article; such has been the principle always held out to us for our guidance in China.

5093. You think that in excluding that species of tea they have acted solely on that ground?—I conceive so. There is a very large quantity of cheap tea sent to England, but it is always of a sound and good quality. The prices of teas are very much diminished at the Company's sales, in consequence of the vast quantities put up; the average price has been much decreased.

5094. Is there any species of European woollen manufacture

8 June 1830. — *F. H. Toone, Esq.* for which you think there is an increasing demand in China?—None.

The witness is directed to withdraw.

Ordered, That this Committee be adjourned to Thursday next, one o'clock.

Die Jovis, 10° *Junii* 1830.

The LORD PRESIDENT in the Chair.

JOSHUA BATES, Esq., is called in, and examined as follows:

10 June 1830. — *J. Bates, Esq.* 5095. You are an American merchant, are you not?—I am an American; I have resided here for the last twelve years as a merchant in this country.

5096. You have been largely connected with the trade with China, have you not?—Since my residence here, I have been connected with the trade to China and other parts of India; and for many years in America I was connected with the India trade.

5097. Are you a partner in any house in China?—I am not; I am now a partner in the house of Baring, Brothers, and Company, of this city.

5098. What is the nature of your connection with the China trade?—Baring, Brothers, and Co. have managed as agents for a house largely connected with the China trade residing at Boston; they have a branch at Canton; we have acted as their correspondents here.

5099. Is this part of the concern of Baring, Brothers, and Company?—It is; it is a part of their business.

5100. What interest have you in the trade conducted by that house; merely that of an agent?—Merely that of an agent for the house at Boston.

5101. You receive a commission upon all purchases in this country?—We receive a commission.

5102. Do you sell in this country for that house?—Until recently we did not; latterly we have sold considerable quantities of raw silk, received by way of the United States.

5103. Raw silk imported into the United States from China, and from thence into this country?—Yes.

5104. Has silk been imported into this country, under those circumstances, to a great amount?—Probably to the extent of two or three hundred thousand pounds sterling; perhaps one hundred thousand pounds in the course of the year.

5105. Is that raw silk only?—Yes; there are importations of silk manufacture in the same way.

5106. Have those importations been conducted through your house?—A great portion of them.

5107. Have they been to any considerable extent?—I do not recollect precisely the extent, but I should think to the extent of twenty or thirty thousand pounds.

5108. Has that importation of raw silk from America been profitable?—It depends on the fluctuations in the market; at times it has been profitable, at other times there has been a loss; last year it was rather a losing trade.

5109. Has the American trade with China, as far as it has been conducted in manufactures, been an increasing trade of late years?—So far as my knowledge goes, it has rather increased; I cannot speak positively as to the whole of it, but I should be inclined to think it had increased; that which has been under our management has increased.

5110. Can you state what articles of manufacture, others than those transmitted by you to China on American account, form part of the American investments in a voyage to China?—I am not aware that there are any other articles that are not included in the shipments we have made. I believe we have sent, generally, many things which have not been sent before, as an experiment.

5111. Will you enumerate the different articles of manufacture which you have exported from hence to China?—I will state those which are generally known; it not being a business which is our own, I do not know whether it would be right for me to state the particulars of articles which may lead to profit, and which belong to the house in Boston; but the articles we have shipped are chiefly those which are shipped by the East-India Company.

5112. Woollens and cottons?—Yes, and metals; and opium has been a great article; there are many other articles, but I believe they are unknown to the public; and it would probably injure our correspondence were I to name them so precisely as that any other person could come into competition with them in the shipment of them.

5113. Has their export of woollens increased?—I think the past year of shipment has been larger than it had previously been.

5114. Can you state the amount of it in the past years?—In the year 1826, it was £120,000; in 1827, £82,000; in 1828, £98,000; in 1829, £147,000; to 1830 I cannot speak precisely, but I remember one cargo alone was £160,000, but that included a considerable portion of opium; I think, however, it has been larger during the present year than at any former period.

10 June 1830.

J. Bates, Esq.

5115. Do you think that those adventures have been upon the whole profitable?—I have no doubt they have been profitable to a certain degree; that they have not given large profits, but there has been a regular small profit upon them; that is my impression, though I had not the settlement of these matters, and therefore cannot speak positively.

5116. Have you exported any large quantity of cottons?—Generally there are a considerable proportion of cotton manufactures in the different investments.

5117. The account you state was the total amount of value of the whole exports?—Yes, the total amount of value of the whole exports by the house with which I am connected.

5118. Can you state what proportion of that amount consisted of woollens?—I should think two-thirds of the whole amount, except this year; there was a large exportation of opium in the operations of this year, which alone amounted to £100,000.

5119. Was the export of woollens less this year than in previous years?—More; the cotton goods were rather omitted this year.

5120. What has been the value of the cotton manufactures exported in each year?—I am not able to answer that question very precisely; I should think to the extent of £30,000 to Canton alone; that does not include the Manilla market.

5121. Has that been an increasing export?—Since the year 1819 it has increased very much to that quarter; perhaps during the past year or two the business has been rather overdone to the Manilla and Batavia market, and to Sincapore, which has rather diminished the direct shipments to Canton.

5122. Are you aware that it appears by the accounts presented to Parliament, that there has been a very considerable diminution in the American trade to China of late years?—I am aware that it has diminished after the year 1826; I think the trade was very much overdone at that time; that, like the trade of all other places, there has been a diminution since that period; but it is now recovering again, and probably, during this year, it will be greater than it was the last.

5123. At what period do you consider the trade to have been overdone?—In 1825 and 1826.

5124. By the account before the House the imports into China in 1825 and 1826 appear to have been smaller than in previous years?—Perhaps it will be necessary to take the year previous to that as showing it. The imports into China by the American vessels in the years 1825, 1826, and 1827, were 7,913,810 dollars, the exports during the same period 8,335,788 dollars; in 1826 and 1827 the imports have fallen to 4,243,617, and the exports to 4,373,891.

5125. From what paper do you take that statement?—This is a statement furnished by the correspondents of our house.

5126. Have you compared that with the paper number 25, in the papers presented to Parliament in the last year?—I have not compared it, but I believe it corresponds with that paper. I have it for twelve years, from 1815-16, and I find it set down in 1824-25 rather higher; 8,900,000 dollars.

5127. Does the paper in your hand distinguish the sale value of merchandize imported into China by the Americans from the value of the bullion or the dollars?—It does not; it includes merely the value in dollars of the imports and exports.

5128. Have you any knowledge of the value of merchandize imported into China by the Americans in each of those years?—I could give a statement of that, I have it not here; generally, I should say it was somewhere near five millions of dollars in specie.

5129. Can you state the value of the merchandize imported in each year?—I could give a statement of it, but I have not the statement with me; it is contained in a book.

5130. By the account presented to Parliament it appears that the largest import of manufactures upon the part of the Americans into China took place in the years 1821-22, in which year that import amounted in value to 3,074,741 dollars, whereas in the last year in this account, 1826-27, that import amounted only to 2,002,549; have you any means of stating in what articles of manufacture that import had fallen off?—I am not able to state precisely on what articles the import had fallen off. I should infer from the statement that probably in that year there was a large importation of furs from the north-west coast of America, and probably a good deal of ginseng from the United States—an article that sometimes bears a great price in Canton.

5131. By the account it appears that the importation of furs was greater in the year 1823-24 than it was in the year 1821-22; is the value of those furs considerable?—In former times it was very considerable; to the extent, I should think, in some years, of a million of dollars; but latterly, I think, it has fallen off, perhaps half a million.

5132. It appears that in the year 1806-7 the total number of furs imported amounted to 298,949, and in the year 1811-12 to 367,215; that in the year 1825-26 the import was 65,958, and in the year 1826-27, 73,575; can you explain to what circumstances that great diminution is to be attributed?—In the early period named the trade was much more lucrative, there were a greater number of ships engaged in it, and the price of furs at Canton had been maintained at the same rate; but of late years the trade has dwindled to a very trifling amount; there

10 June 1830. are very few persons engaged in it, and it does not yield much profit.

J. Bates, Esq.

5133. Can you explain under what circumstances that trade has so much fallen off?—I am inclined to think the limits of the trade are rather reduced by the regulations of the Russians; they are not allowed to cruise so far north as formerly; and probably from this that there is a scarcity of furs; that they cannot collect so many as formerly, particularly the fur seals; the number is very soon reduced.

5134. Are they the sea otter skins?—Yes, in part.

5135. Are you acquainted with the expense of the establishment of the house in China; the number of persons engaged in carrying on their business?—Formerly there were Mr. Cushing, and he had a clerk, and sometimes he might have two; latterly there has been Mr. Forbes, and he has had a young gentleman with him; there is no other establishment beyond that of the servants in the Factory.

5136. What may have been the extent of exports from China which may have passed through their hands in the course of a year in value?—It varies considerably from year to year; some years it has not been more than a million of dollars, in other years it has amounted to two millions, or more.

5137. Has that house been in the habit not only of conducting at Canton their own business, but likewise acting as agents for other persons?—They have been confined to their own business for the last eight or ten years.

5138. Are you aware of the amount of commission charged by agents at Canton?—The established commission, I believe, is two and a half per cent. for American business; they generally return to the supercargoes one per cent. and that, I believe, varying I suspect according to the sort of bargain they make at the time.

5139. The real commission paid to the agent, then, is only one and a half per cent.?—The general commission is two and a half per cent., and every ship which goes there has a supercargo who is charged to manage the ship; he endeavours to make the best bargain he can with regard to commission, and I should suppose that at least one per cent. was returned to him, which forms his portion of the profit.

5140. The whole is two and a half, and the advantage to the agent is one and a half?—Yes.

5141. With whom do the Americans conduct their trade at Canton; with the Hong or the outside merchants?—Generally with the Hong; but they trade with the outside merchants whenever they find it for their interests.

5142. Did you ever understand that they had experienced a difficulty in procuring all the green tea they required?—Green tea is not so abundant as black, but I have never heard that they found any difficulty in obtaining as much as they wanted; it certainly yields a greater profit at the present moment than any other kind of tea, and from that it might be inferred that there is a deficiency of it; but it never occurred to me before.

5143. Has the export of green teas altogether increased from Canton of late years?—I should say it has considerably increased.

5144. Do the Americans purchase their tea on as good terms as the Company?—I have no doubt they do, on quite as good terms; they sometimes buy on contract, but more generally in the open market, after the teas have arrived.

5145. You mean by buying by contract, that they have made a previous contract for the delivery of so much tea without seeing it?—Yes; so much tea of a given quality. The tea is brought in November and December.

5146. What proportion do you apprehend the quantity of tea they purchase on contract bears to the total quantity they purchase at Canton?—For the Americans I should say it bears but a small proportion, perhaps not ten per cent. on their tea.

5147. By whom is the tea brought into Canton which is sold in the open market?—It is brought by tea merchants from the interior.

5148. Is it brought by the same description of persons with whom the Hong merchants contract for the delivery of teas?—I cannot speak as to that, but I conclude the same description of merchants; perhaps not the very merchants with whom the Hong merchants may be in correspondence, but persons having tea from the interior.

5149. Do the Americans purchase their teas of those country merchants who bring the tea into Canton?—They buy from the Hong merchant, or from the outside merchants, who are another description of merchants, not from those bringing the tea from the interior.

5150. Are the Hong merchants purchasers of tea on their own account?—So far as they contract with foreigners; I have no doubt they make also a contract with the tea merchants in the interior; beyond that, I should not suppose they purchase very largely.

5151. When the Americans purchase teas in the open market, they purchase teas which have been contracted for by the Hong merchants?—Some of them do, those who buy from the Hong merchants; I should say those which the Hong mer-

10 June 1830.

J. Bates, Esq.

chants have contracted for, or which have been placed in their hands for sale from one or other of those causes.

5152. Has the price of green tea been increased by the competition which has taken place?—Particular kinds of green tea have advanced; imperial and gunpowder, I believe, is dearer now than it was a few years ago.

5153. Are not the Americans in the habit of buying some sorts of tea that do not ordinarily form a part of the investment of the East-India Company?—They are, particularly the high-priced green teas, which are very rarely brought here.

5154. Do you know what proportion in value of that investment consists of that description of tea which is not imported generally into this country?—I have here a statement of exports to the United States for the season of 1828-29; it would give an idea of the proportion of the different sorts of tea shipped to America. I can read the totals: of each kind of bohea, 700 chests; Souchong, 16,447 chests; Pekoe, 190; Hyson Skin, 17,778; Twankay, 5,707; Young Hyson, 24,169; Hyson, 10,512; Imperial and Gunpowder, 4,582; making a total of 80,498 chests.

5155. What is the weight of a chest?—From seventy-two to seventy-six pounds.

5156. It appears by the accounts presented to Parliament, that, in the year ending the 30th of September 1826, the quantity of tea imported into the United States amounted to 10,098,900 pounds, and in the following year, ending the 30th of September 1827, to 5,875,638; to what circumstances do you attribute that great falling-off in the year 1827?—The trade had been very much overdone; the consumption of the United States I should not consider more than between six and seven millions of pounds, therefore it was a very great excess of importation, which would naturally adjust itself; I believe there was at that time a great deal of money lost by importations of teas from Canton, and that the subsequent short importations have reduced the stock, so that the business is now in a wholesome state again.

5157. It appears that the exports of tea from the United States in the year 1826 amounted to 2,804,753 pounds, and in the following year to 1,626,417 pounds, the decrease being 1,178,336 pounds; can you account for the great falling-off in the export of tea from the United States in that year?—The export of tea from the United States depends entirely upon the state of the Dutch and Hamburgh markets; it is exported to those markets and to France; and I do not know whether any inference could be drawn from the fact, that the exportation was diminished or increased, only that the foreign markets furnished a better market than could be got at home.

5158. Do you apprehend that the consumption in America varies much from year to year?—I do not think the consumption of America increases so much as it would in other countries; they are not great tea-drinkers; they are more generally consumers of coffee; the consumption, however, has increased pretty regularly.

5159. It appears that the exports of tea from Canton, for European consumption, were in the year 1825-26, 1,360,800 pounds, and in the year 1826-27, 357,966 pounds; do you apprehend that so great a falling-off in the exports of teas for European consumption from Canton in those years, taken in conjunction with the falling-off in the exports from America of teas in nearly the same period, would have taken place, had not the sale of American teas on the Continent been materially interfered with by the import of teas of other nations?—I should draw that inference from it, that the sale of teas of the American importations must have been interfered with by importations of other nations; of late years the Dutch Company has endeavoured to supply Holland fully.

5160. Is it understood that they have carried on their trade with profit?—On the contrary, with very considerable loss.

5161. They have however succeeded in materially interfering with the American trade?—For a time they have; for the present the Dutch Company have desisted; they have sent out only half their number of ships this year, and there is more room for Americans or for foreigners; the prices are now improved, yielding a small profit.

5162. Do you apprehend that, in consequence of that competition between the Americans and the Dutch, the price of tea during the last year, on the Continent, can have been considered to be a remunerating price?—During the last year it has paid a reasonable profit; up to last year it was difficult to gain by tea to the Continent.

5163. In your opinion, may the prices at which it has been purchased in the course of the last year on the Continent be considered as fair average prices, remunerating for the cost of import?—I should say they are, certainly.

5164. Should you say the same as to the price in America towards the close of the last year?—I could not say the same of the United States the last year; the early part of the present year, however, they have been obtaining fair prices.

5165. You would consider the prices of Boston and New York, in October and November of last year, rather below a remunerating price?—I should think they were; there has been a good deal of embarrassment in that section of the country, and, as is usual under those circumstances, there has been no

10 June 1830. speculation in merchandize, and the prices have been lower in consequence.

J. Bates, Esq.

5166. Are you aware whether the Americans import into China any manufactures bearing the same name as the manufactures of England, but not actually manufactured in this country?—I believe very considerable, that is, considerable for the United States; shipments have been made to Manilla and Canton of a species of cotton more resembling the white cottons of Bengal than any cotton goods manufactured here; they are stout goods; they have sold, I understand, very well; those goods have been imitated here at about two-thirds of the American cost, and the business from America, I believe, is at an end.

5167. Have you seen an account in the papers presented to Parliament last year, stating the quantities and value of British articles imported into China by the Americans in the years 1824-5, 1825-6, and 1826-7?—I have not read any of those accounts.

5168. Have the goodness to look at the account, page 46, and state whether, as far as you are acquainted with the course of trade, the manufactures there stated as British probably were of British manufacture?—I should say they were; there is a description of goods answering to the name of camlets manufactured in Holland, but the quantity is not great, and I am not aware that any were shipped during these years.

5169. Does the amount there stated as the value of British manufactures imported into China by the Americans in those several years, generally accord with your idea of what that value may have been?—In my opinion it does, about £200,000; it will have gone, I think, rather higher since that period.

5170. Are you of opinion that a British merchant would export British manufactures to China with more advantage than an American merchant from this country?—I do not see that he would have any advantage; Americans have the same privileges here; the only charge, I believe, they have to pay more than the British subject has to pay, is the scavage dues to the city of London, which amount to about one per cent.

5171. Are they not returned?—They were returned for a time; but latterly they have been insisted upon as respects any trade not direct to the United States.

5172. Do you expect there would be any greater exports of British manufactures from this country to China in the event of the opening of the trade to British subjects?—I think there would be a very considerable increase. There seems to be a complete revolution in regard to the trade of the East-Indies. The first ten years of my commercial life, I was engaged in receiving the very manufactures from India which are now carried

the other way. I have no doubt that the Chinese would receive manufactures of England, and that they would go into more general consumption, if it was in the hands of private traders, as it requires considerable management to introduce the different articles. 10 June 1830.

J Bates, Esq.

5173. If the Americans now possess and have for several years possessed all the facilities for carrying on that trade in British manufactures which would be possessed by Englishmen in the event of opening the trade, how is it, if that trade is capable of extension, that it has not been extended much more than it has been ?—It is a trade which requires great experience in the details; there are very few persons in the United States who know any thing about it. It is a trade which requires a double capital, inasmuch as they cannot rely on the sales of the goods for the purchase of the return cargo; consequently, those who have sent ships from the United States for a cargo of teas for the consumption of the United States, could not calculate on any period of the return of that ship, unless they were to send credit or dollars. The goods' business has been confined to two houses; I believe that in British manufactures they have not relied so much on the return of teas to the United States.

5174. Are you of opinion the Americans would conduct that trade to a larger extent and more advantage if they had larger capitals ?—I believe there is capital enough there; but that those persons who possess that capital have not acquired a proper knowledge; but that they have it now, or will have it very soon, I have no doubt. They will carry on a greater portion of trade in a very short time.

5175. Are not the partners of the house of Perkins and Company at Canton as much acquainted with that trade as the agents of the East-India Company can have become ?—Perfectly so; and it is of course their object to keep that information to themselves.

5176. They have had the means for years of extending that trade as greatly as British merchants would have had if it had been opened to them ?—Certainly; if the tea trade is closed against them there is no mode of making a remittance beyond a certain point. I believe I have stated that on teas generally to Europe there is or has been very little profit; it has been very difficult to make a par remittance in teas; the very limited amount which can be remitted in teas to the Continent, where the consumption is very trifling compared with the consumption of England, prevents their embarking beyond any number of ships required to bring back the teas necessary for those markets. During the past year I believe the house of Perkins were the shippers of all the teas to the European markets, except those by the Dutch Company, which did not extend to more

10 June 1830.

J. Bates, Esq.

than five or six cargoes, perhaps equal to two cargoes of the Company.

5177. The American merchants of Canton having open to them the whole supply of all the world with teas, with the exception of Russia and England, do you think their market for teas is too small to enable them to extend that trade considerably; that there is a difficulty in obtaining returns?—That is a difficulty that would be in some measure removed, probably this very year, by the recent discovery that dollars are no longer wanted there; the Americans now take credit to a considerable extent, and the bills which would be thus offered in the market could be purchased as a remittance.

5178. Where do the Americans obtain those bills?—The Bank of the United States issue bills; the different banking-houses of the United States give credits upon London; those bills are taken to Canton, and are there sold, and are bought by the native merchants who trade to Canton with opium; they take the bills to Bombay and Calcutta, they are there sold as remittance to England.

5179. So that the country trade of India is the foundation of the American trade with China under this altered system?—It would be incorporated; the two trades would work very well together; but I believe the Americans have, until the present year, chiefly carried specie, dollars.

5180. It is understood that the profit in the American trade to China is made, not on the import, but upon the export cargo?—In the one case it is on the import, and in the other upon the export. Those adventuring from the United States and sending dollars, rely entirely upon the manufactured silks and tea which they get in return, for their profit; but on that part in which I conceive British manufactures are concerned, there the profit on the British manufactures, I should say, was the temptation.

5181. If there were so large a profit upon British manufactures as to create that temptation, and the Americans have had, as they have had for years, the means of exporting those articles in any quantities. can you explain why they have not been exported to a greater extent than £200,000 a year in value?—It takes a double capital; and the information necessary to carry it on successfully at Canton is confined to very few; I am not aware that there are more than two houses in the United States which have had any knowledge of it till within these few months.

5182. Have the Americans engaged in trade with China been in general persons of large capital?—Generally persons of large capital, or they have acquired it in the course of this trade; all the old houses, however, engaged in it, have acquired fortunes.

There have been failures, within the last few years, of persons who adventured indiscreetly beyond their means. 10 June 1830.

J. Bates, Esq.

5183. Is it a trade generally requiring great capital, and in which great capital has considerable advantages?—It requires great capital or credit; the outlay is for twelve months, and therefore the trade cannot be carried on by persons who cannot afford to lay out of their money that time.

5184. If the trade were carried on by the subjects of England, do you think they could carry on that trade as cheaply as the Americans?—I see no reason why they should not.

5185. Do you think they would carry it on more cheaply? —I do not think they would carry it on more cheaply; except that they would have the advantage of the one per cent. which the Americans have to pay for the scavage dues. I do not know of any other difference. Perhaps the freight might be rather more on English ships.

5186. Do you know the difference between the freight of an English and an American ship?—There is not much difference with the recently constructed ships at Liverpool, where the competition is very active; they have some British vessels on the same model as the Americans, and they rank together as they lie, and sail side by side. I believe the amount of British tonnage is rather increasing; I allude to the amount of British shipping bringing cotton, for instance. I believe there is not much difference in the freight or the sailing of those ships recently constructed on approved models; they are fully equal in every way, and there is very little difference in freight.

5187. Could an American merchant ship British manufactures at Liverpool as cheaply as a British merchant could?—I believe there is no difference.

5188. The only difference is in the port of London?—Yes, in the scavage dues, which is a considerable impediment.

5189. What is the freight from England to Canton and back at this time?—I think ships could be chartered now, from 400 to 500 tons, at £6. 10s. per ton for the voyage out and home.

5190. Have you ever understood that it is more advantageous to ship teas in a vessel of 1,000 or 1,200 tons than in one of 600 tons; that the teas are less injured in the package?—I should think there could be no difference if the ship was perfectly dry; that the tea would come as well in one sized vessel as another.

5191. What sized ship do you consider as the most economical for the voyage to China?—The most approved construction is about 450 tons of a particular model, which will carry more than half as much as a Company's ship, and be navigated with eighteen or nineteen men.

10 June 1830.

J. Bates, Esq.

5192. You spoke of vessels of 600 tons as having a freight of £6. 10*s.*?—I mentioned those because there are a great number of that description of ships here.

5193. What would be the freight of one of those vessels on an improved model of 450 tons?—In the United States a ship-owner offered to contract to supply a ship at thirty dollars per ton measurement on teas, the ton of forty cubit feet; that was for the voyage out and home; that comes to about £6. 10*s.*

5194. There would be no difference in the freight of a vessel of 450 and 600 tons?—Per ton there would be no difference.

5195. When you speak of £6. 10*s.* a ton, do you mean a ton of 40 or 50 feet?—I think a British ship would be got now at £6. 10*s.* per ton of 40 cubic feet.

5196. What would it be for the fifty cubic feet?—I think that comes to about £8. 2*s.* 6*d.*

5197. Is not the tonnage of the East-India Company computed at fifty feet to the ton?—I understand it is.

5198. In what particulars is this great improvement that has recently taken place in vessels of 450 tons burthen?—It consists in adding much to their length; they are longer and deeper, and have a peculiar form.

5199. Does it improve their capacity without interfering with their velocity?—It improves their capacity; and their velocity is even greater.

5200. Is a vessel of 450 tons on the improved construction really a much larger vessel than a vessel of the old construction of 450 tons?—She is really a larger vessel.

5201. How many tons does she actually carry?—I suppose a ship of 450 tons on the improved construction would carry 750 tons of tea of 40 cubic feet.

5202. What is the premium on the insurance for a voyage to Canton and back?—I do not recollect what it is out and back, but I think it is outward two and a half; and I believe homeward two and a half. I have understood the Company's ships have paid three per cent., but latterly they paid only two and a half.

5203. The Company do not insure?—They do not; but there are some parties who insure their interest for similar voyages.

5204. Do the American ships last as long as the British ships?—Those that are built with care for some individuals who are very particular, I believe, last as long; but generally they do not.

5205. Upon the whole, should you consider it cheaper to navigate a British or an American ship?—I think that a British ship cannot be navigated so cheap as an American. I believe

there is a necessity for taking apprentice boys, which create expense; and the provisions cost rather more. I think in a long voyage it might make a considerable difference. I have stated before that it makes a quarter; but I think that is too much.

5206. In that answer you compare the expense of navigating an American ship from America, and a British ship from England; but if both left a British port for China, would there be any considerable difference of expense in navigating them? —I believe very trifling; the only thing would be the necessity of taking those boys, which are considered by the Americans as useless.

5207. Has the trade to Manilla increased?—Very much.

5208. In what articles is that trade carried on?—In a much greater variety of articles than to China; some hardware and other descriptions of goods usually purchased by the natives.

5209. What are the articles from Manilla?—Sugar, and a species of grass which is very valuable, indigo, and tortoiseshell, and coffee.

5210. Can you state the value of the imports into Manilla in any one year?—I cannot. I have a statement of the productions of Luconia for the year 1825, which I beg to deliver in.

The same is read, and is as follows:

STATEMENT OF THE PRODUCTIONS OF LUCONIA, 1825.

					Dollars.
Indigo	3,472	Quints ..	100 dollars . ..		347,200
Sugar	138,298	Pilons,	say 90m. Pl. at 4 dolls.		360,000
Pearl shell	2,687	Peculs ..	20		53,744
Tortoise ditto......	3,130	Catties ..	7		21,910
Rice	39,906	Cabaus ..	1¼ ..	49,882	
Ditto	26,965	.. .. ..	1 ..	26,965	
Ditto, Paddy	19,783	.. ..	0½ ..	9,891	
					86,738
Cotton............	3,109	Pls. ..	20		62,180
Bees' Wax	1,272	Qls. ..	38		48,336
Avaca, Lapis	371	Pls. ..	5 ..	1,855	
Ditto, 2d, 967......	8,340	.. ..	4¾ ..	36,915	
Ditto, rope	3,519	.. ..	6¼ ..	21,993	
					63,463
Cocoa	390	Cabaus ..	32		12,480
Coffee	1,615	Pls. ..	15		15,725
Sapan wood	24,826	— ..	$1\frac{50}{100}$		37,239
Biche de mar	3,385	— ..	22		74,470
Birds' nests	2,543	Catties ..	.. .. ..		3,814
Sulphur	3,696	Pls. ..	1½		5,544
Cocoa-nut oil	11,504	— ..	4½		51,768
Ditto ditto rum, value at price paid by government					133,047
Tobacco ditto ..	57,301	bales	ditto		104,092
Cocoa-nuts	945,616	.. ..	1 per 100 ..		9,456
				Carried forward..........	1,491,206

10 June 1830.

J. Bates, Esq.

					Dollars.
			Brought over..........		1,491,206
Hides, &c.:					
Buffalo	9,640		37½	3,615	
Cow............	2,351		·50	1,175	
Deer	2,376		·15	356	
Tanned	1,983		·75	1,488	
Hoofs	293	Pls.	3·50	983	
Hoofs, deer........	66		8·50	631	
Glue	845	—	2·50	2,112	
Manufactures:					10,460
Cambayas	1,650	Ps.	·75	1,237	
Guinasas........	302,356	—	0·15	45,353	
Canvas	1,562	—	1·00	1,562	
Cotton	36,529	—	·50	18,265	
Midunagues	19,895	—	·16	3,183	
Sinamayes	142,360	—	·25	35,590	
Tapis	10,771	—	·25	2,692	
					107,875
Wheat	1,852	—	1·50		2,778
Ebony............	3,168	—	2		6,336
Wood, timber for shipbuilders, carpenters, &c. value					10,931
Pitch, value 1·50/100 per quintal amounting to					24,292
Rattans					3,373
Mat Bags	30,000		·5		1,500
Pearls	110	lbs.	32		3,570
Cowries	12	millions	6 per m.		6,000
Cattle					8,182
Ground-nuts or beans	3,000	Cabs.	1		3,000
Onions	4,197	Pls.	·50		2,098
Dry Fish........					602
Shark fins	26		20		520
Indigo seed........	57	Cabs.	3½		183
Garlic	46	Pls.	4		186
Fish oil	71	Jars.	2½		160
Pork fat	366	—	·6		2,196
Hats, furniture, pepper, sago, and biscuit					1,300
Articles of which I do not know the names in English					15,374
Sundries					1,500
			Total value in Spanish dollars........		1,703,622

Note.—The above is only the quantity brought into Manilla, and is probably very far short of the actual productions, perhaps one-third; most of it is founded upon estimates which may be quite erroneous in many instances. Their own consumption of sugar, rice, indigo, wax, rum, and tobacco is very great, as well as of all the other articles named herein. The value of rum and tobacco are put down at the prices paid by the government to the natives; they are both monopolies, and are resold at an enormous profit. The government probably receive one million of dollars for those two items; the tobacco, it is true, forms their chief financial resource.

5211. Are the articles of British manufacture purchased by you here for the Americans of equal goodness with articles of the same name purchased by the East-India Company for export to China?—We always contract for the Company's quality, without exhibiting any samples; and when the goods

are delivered they are examined; if they are faulty, some allowance is made in that respect. We are probably not so particular as the Company.

5212. Do you pay the same price as the Company?—I rather think that we buy cheaper; that the mode of purchasing by the Company exposes them to combination.

5213. In what way?—They advertise for tenders of a certain quantity, of camlets for instance, and I think there is nothing more easy than for the manufacturers of camlets, if they choose (I do not know that they do so), to combine. I should not think it safe to advertise in that way. We go into the open market and buy; each one, being eager to have the whole of our order, will name the lowest price.

5214. The East-India Company reject many articles which you export; do they not upon the whole import into China a higher description of articles than you do?—I should think not as to quality; the dimensions are precisely the same; the goods the same; but sometimes our shipments may have some few imperfections about them, such as stains, or perhaps a piece may have a little imperfection in colour, or something of that kind, which the Company's may not have.

5215. Do you think the Company obtain a higher price for the manufactures they import into China than the Americans do?—I am not aware that they do; I should say not.

5216. It appears by the return, page 53, in these papers before you, that in the years 1816, 1817, and 1818, the tonnage cleared out from the United States for ports beyond the Cape of Good Hope was respectively 35,253, 39,169, and 36,586; and in three years 1826, 1827, and 1828, the tonnage amounted only to 19,070, 17,078, and 14,112; can you explain the causes which have occasioned so very great a diminution in the amount of tonnage clearing out for ports beyond the Cape of Good Hope; and can you state what part of the trade which the Americans possessed beyond the Cape of Good Hope, has failed since the last period?—I should say it might be accounted for on general principles; peace having taken place, the trade naturally went into those channels to which it properly belonged; the Americans having in former times, from their neutrality, carried on a considerable portion of the Indian trade, they continued their expeditions afterwards, and that they found their mistake in about the year 1818; or perhaps the opening the trade to India might have some effect. I do not remember the precise period of that; but the American trade to Bengal is now confined to the consumption of the United States: there are no longer importations with a view to exportation to different parts of Europe; even a portion of their supply of Bengal produce is drawn from London to the United States in a variety of articles. A portion of that tonnage was employed in the

10 June 1830

J. Bates, Esq.

trade to Batavia; the Dutch have made regulations which have destroyed their trade there; that will account for a portion of it.

5217. It appears by the account at page 28, that in the years subsequent to the opening of the trade with India, namely, 1816-17, 1817-18, and 1818-19 respectively, the tonnage of vessels clearing out from British ports in India for America, was 15,145, 18,003, and 23,944; and that in the three last years, in the years 1824-25, 1825-26, and 1826-27 respectively, the tonnage of American ships clearing out from India for America has been 3,067, 5,743, and 2,389: do you know to what circumstances is to be attributed that great falling-off in the American trade with India since the year 1818-19?—I should attribute the falling-off to the circumstance, that in time of peace all goods must go to the place of consumption in the most economical manner, and that America being a place of small consumption, they can afford to bring only the goods which they want; it will not any longer answer to export the goods to America for the purpose of being re-exported to the European markets, where they will be consumed.

5218. In your opinion, since the opening of the trade with India, the trade for the supply of England and of Europe has been carried on more economically by British ships than it could be by American ships, and the British ships have supplanted the Americans in that trade?—I do not think that will apply exactly so, as the voyage from India to America is so far out of the track. British ships have not gone cheaper, but their voyage is not so long. The regular course of the trade is to London, as the emporium of the world, as the world now stands.

5219. But since the opening of the trade with India to the subjects of England, the British merchant, having supplanted the American in the trade with India, being enabled to supply the demands of England and of Europe at a less charge, do you, from that circumstance, infer that, if the trade with China were equally opened to the British merchant, he would equally succeed in supplanting the American merchant in that trade?—Undoubtedly; the Americans would be driven out of that portion of the trade they now carry on to Europe.

5220. The produce of China would, in your opinion, be conveyed to Europe by British merchants, and not by Americans?—Yes; just so.

5221. Do you conceive that the advantage which the American shipper has at present over the British merchants depends exclusively upon the difference in the cost of navigation?—Perhaps the American merchant, from the experience of the past twenty years, is more a general speculator than the English merchant, and would therefore perhaps for a time manage it rather better than it could be managed by the British merchant; but

so far as the expense of carrying it on, I know of no other difference than that I have mentioned in the difference of navigating the ships that I have spoke of, that it amounted to one-quarter of the freight, which I think I reckoned rather too high.

5222. You conceive that, as far as relates to construction, they are nearly on a par?—I believe a great portion of the tonnage of Great Britain is in ships of bad construction for the times, that cannot carry bulk in proportion to their tonnage, and they are unprofitable in the present improved state of ship-building.

5223. Have you any doubt that were the China trade to be opened to the English merchants, the shipping of the most improved construction would be had recourse to, and with as much advantage as in America?—I have no doubt it would, though I do not think it would be done quite so rapidly; the expence of building is rather greater, which I conceive to be compensated by the lower rate of interest of money; but the cost of a ship is certainly greater than in the United States.

5224. What should you state to be the present difference in the interest of money borrowed for mercantile purposes?—I should say it was fully double in the United States for mercantile purposes.

5225. Do you conceive that the Chinese population would be more or less disposed to an increased consumption of British manufactures than that of Java, Manilla, or other parts of the East with which we have been acquainted?—I have no doubt they would as readily receive foreign manufactures as those of the places named; perhaps it would be more difficult to introduce them; but I have no doubt that they would be eventually introduced.

5226. Do you think it probable that it would be necessary to introduce them by illicit trade, or that the Chinese would be likely to admit them on payment of duties?—I should think it would be the most advisable method to let the merchants follow their own course; they understand their own interests, and they would introduce the goods if it was possible to do so with a profit; whether by regular importations, or by sales from their ships along the coast, would depend upon the profit.

5227. How far is Lintin from Canton?—I think about seventy miles.

5228. There is a considerable smuggling trade carried on, is there not, at Lintin?—In opium there has been; not in other goods to any extent.

5229. What are the advantages possessed by Lintin for the rposes of illicit commerce?—It is a good anchorage; they

10 June 1830.

J. Bates, Esq.

consider that where they lie at anchor, I believe, is without the Chinese limits, and that no one has a right to disturb them.

5230. How, then, are the goods introduced into China from thence?—The opium is introduced from Lintin by water carriage; the boats come alongside and take the opium. I believe it is conducted in this way: a Chinese at Canton, if he wishes to buy opium, pays the money, and receives an order for the opium, which he sends with his boat to take it in at Lintin, and there the transaction is ended.

5231. Are you acquainted with the circumstances of trade having been carried on at any other ports on the Chinese coast? —I have heard that it has been; I have no precise knowledge of it.

5232. Were not American ships permitted to trade at Java when it was in our possession?—They were.

5233. Under those circumstances, had not the British merchants an advantage, generally speaking, over the American?—The British had this advantage, that he could find a great number of persons disposed to adventure and more readily make up a cargo. The American would have to take the whole on his own account; whereas the British cargo would be made up by a greater number of shippers.

5234. The Americans are excluded now from Sincapore, are they not?—I believe they have never had a right to trade there; I believe the ports to which the Americans are allowed to trade in India are all named, and that Sincapore is not named.

5235. Are other ships permitted to trade to Sincapore?—I believe there is no great difficulty in trading to Sincapore; that they go on shore and make their bargains, and go a few miles off to make transfers; that it is done in the same manner as the contracts for pepper are made at Prince of Wales' Island; that the contracts are made there, and the transfer on the coast.

5236. Are the Malays extensively engaged in the trade of those seas?—I believe the Chinese carry on the greater portion of trade in those places at Batavia; I believe the sales of British manufactures there are almost entirely by the Chinese, and at Manilla it is the same.

5237. Do you suppose that, in the event of the Chinese trade being opened to the British merchant, any considerable portion of the trade now carried on by the Chinese would fall into his hands?—I think it probable that there would be a good deal of traffic from one port to another in that quarter, and there is none now; it is a growing trade.

5238. Can you state the expense of construction of ships in China?—I cannot.

5239. You cannot form any opinion as to the comparative freight of Chinese vessels carrying on the trade to the Indian

seas and English vessels?—I think in the Chinese junks each man on board has his investment of goods for the market to which he is going, and his room which he rents. I believe the freight in such cases must be very dear. They only go at particular seasons of the year. British vessels, from their particular construction, would sail frequently against the monsoon in that quarter of the world, so that they would soon destroy any profitable trade by the Chinese. 10 June 1830. J. Bates, Esq.

5240. Are the junks equipped by merchants at Canton, or to whom do they belong?—To the Chinese merchants.

5241. And let out to traders?—They are freighted in that way; letting out different apartments, or so many rooms to this and that person; on return, I believe they take rice and other things, which are differently stowed.

5242. Should you suppose that any apprehension of injury to that trade in China would cause any indisposition on the part of the Chinese to encourage English private traders?—I should think not. My impression is, that this trade is chiefly connected with the Chinese resident at different places to which they go. At Siam, I am told that the number of Chinese junks is altogether 150 or more lying in the river at a time; but there is a great population of Chinese engaged in agriculture and the manufacture of sugar, and those junks bring their supplies, and also emigrants.

5243. Is the trade carried on from hence by the Americans, according to your experience of it, increasing?—Up to the beginning of this year I should say it was increasing.

5244. Both in its total extent and in variety of articles?—I should say the number of articles have increased considerably there have been three or four added to them, to my knowledge.

5245. There are some articles now going out as an export with respect to which you do not wish to state the details?—Just so.

5246. Have you any reason to know that there is any thing in China that precludes them from purchasing any articles that may be suited to their wants or to their tastes?—I am not aware of any regulations to that effect.

5247. And nothing in the disposition or habits of the people?—Nothing that I have ever heard of.

5248. You stated that one of the obstructions to a more extended trade between this country and China on the part of the Americans was, the necessity of American merchants possessing what you describe as a double capital; would the same obstacle apply in the same way to the British merchant carrying on the same trade to Canton?—It would not be carried on in the same way. The American ship-owner is also the merchant. The voyage from hence would probably be one where

10 June 1830.

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J. Bates, Esq.

a great number of persons would consign goods for sale in China; and this they would leave more to the house in China to direct returns. The object of the American being as well to get back a cargo of teas for the American market, he cannot calculate on his teas if he uses British manufactures. But here I think the constant and regular shipment of British manufactures, with the balance of country trade, would naturally throw more British capital into Canton than would be wanted immediately for investment in tea.

5249. As far as that goes, it would give to the British merchant in the case supposed an advantage beyond that which the American merchant now has?—I should say it would, decidedly.

5250. One of the obstacles to an extended trade on the part of the Americans from hence is the want of adequate returns, is it not?—That applies more particularly to the circumstance that the American ship-owner is a merchant; if he was not it would make no difference; he rather wishes to employ his own ships, and in so doing he makes his returns in teas to the Continent, which comes near to his port of loading, and they probably have not found it their interest to extend their operation beyond the goods that they could make returns to Europe for.

5251. If the consumption on the Continent were materially to increase, that would be an inducement to American merchants to extend their operations, would it not?—It certainly would.

5252. If therefore the American merchant could share in the supply of tea to this country, that would extend his operations? —Certainly.

5253. So that if a British merchant were at liberty to import tea into England for the consumption of England, you conceive that would induce him to extend the exportation of British manufactures in the same way?—It would; he would have a further temptation to increase the exports of British manufactures; he could take in a number of markets in his route; there would be Batavia, Manilla, and Sincapore, without going out of his track. There is a trade between all those places and England, of course; there are always some shipments. But the American has not that advantage; he has no connection there, and of course his voyage is more direct.

5254. You stated that it occasionally happened that the goods you purchased here, which were intended to be of the same quality as those exported by the East-India Company, were sometimes somewhat deficient, or below the contract agreement?—Not to any extent as to quality; there may be faults arising from accident in the manufacture or dyeing.

5255. In that case, when any such deficiency is discovered, the goods are not rejected, but a diminution of charge takes

place?—A diminution of charge takes place; the goods are made as perfect as possible; for instance, a piece that has a faulty colour, or a stain upon it, a yard would be cut out, and the piece would be invoiced a yard shorter, and of course it would not be exactly of the dimensions of the Company's, but the qualities would be the same. 10 June 1830. — *J. Bates, Esq.*

5256. The quality would be exactly the same?—That is our endeavour; the contracts are, I believe, precisely the same.

5257. Have you ever exported any goods that have appeared on inspection to be somewhat inferior to the quality you have ordered?—Sometimes we are forced to do that where the goods arrive but a few days before the ship is to be despatched; there is no opportunity to return them upon the hands of the seller, and rather than have the assortment incomplete, the goods are sent off; but then it is not an inferiority of great magnitude; it may be to the amount of two per cent.

5258. Do you find any difficulty in the sale of goods which are inferior to that standard?—None that I am aware of; the Hong merchants buy them.

5259. They give you less for them, you having paid less?—I am not aware that they give any less for them; the goods that have those imperfections are packed with those which are perfect; any thing that would not answer, that was found so bad as to occasion its being rejected, would not be sent.

5260. They take their chance of finding some part of the consignment not so good as the remainder?—They take their chance, certainly. But I should mention the mode I adopt in order to examine them: I have a hundred pieces examined by the Company's examiner, and if I find seven out of the hundred imperfect I then examine the whole quantity, perhaps three or four thousand, and put by all that are imperfect; but if there are not more than seven out of a hundred that will not pass, then we should take no account of it; so that we go pretty nearly in our examination on the same principle as the Company.

5261. Do not you ascribe a part of the falling off of the import of tea into the United States of America to the circumstance of the British provinces in North America having within the last three or four years been supplied directly by the East-India Company?—That must have had some effect; but the drawback on the exportation of teas from the United States, imported at less expense than the Company import them, enables them to compete with the Company in the Canadian market. I think there is no difficulty in introducing teas from the United States; still the consumption, of course, must be diminished in nearly the same ratio as the extent of sales by the Company in Canada.

10 June 1830.

—

J Bates, Esq.

5262. Has there been more fluctuation in the extent of business carried on by your correspondents' house at Canton than is usual in transactions carried on at such a distance and to such an extent?—There has been. I think they are clever men, and there is more variation where they enter into speculations than otherwise. If they found the price of tea low, they would withdraw from it; if they saw a prospect of gain, they would double their transactions.

5263. Is there any difficulty in carrying on commerce with the outside merchants?—The greater portion of the business of the house to which we have alluded is conducted by outside merchants; in the manufactured silk, that is entirely conducted with the outside merchants.

5264. Have you had reason to rely on the solidity and fair dealing of that class of dealers?—Mr. Cushing, who has resided a long time at Canton, has told me he never had a dispute with any one at Canton; that he never took a receipt for any small payment; and that he never had had a demand made upon him a second time; that it was a place of business where he had had more facilities and less disputes than any other he was acquainted with.

5265. Do you know the difference of freight between American ships of the improved construction and the Company's ships?—I have understood that the Company's freight varies from eighteen to twenty-four pounds; but there are conditions about it. Those conditions, with regard to being under obligation to go as transports, or to have their destination altered, or to take a certain time, embracing a greater length of time than an ordinary charter, should make the freight different from an ordinary transaction.

5266. There are other conditions, as to number of seamen, and so on?—Yes, there are.

5267. Do you know how many tons of tea a Company's ship of 1,200 tons should carry?—I cannot speak with confidence about it; but I believe they usually bring fifteen or sixteen thousand chests of tea, as they are now navigated. A ship of 450 tons, on the construction I have mentioned, would stow 7,500.

5268. In a vessel of 1,000 or 1,200 tons, what is the ordinary difference between the registered and the actual tonnage?—That would depend entirely on the construction of the ship.

5269. Are not the American merchant ships generally better sailers than the English merchant ships?—I should say that for some time past, or up to within a year or two, that has been the case; those ships that were constructed to sail with convoy were calculated rather for burthen than for sailing, and they are heavy sailers; but, as I remarked before, in Liverpool,

where the competition is great, there are ships under the British flag that sail as fast as any Americans, and carry nearly as much, and I do not see that there is much difference.

10 June 1830.

J. Bates, Esq.

5270. Can you state the proportion of the difference in the length of the voyage performed by an American ship and an English ship of ordinary construction?—It is impossible to calculate that; there might be one-third or more in the difference of the voyage.

5271. Does not the superior sailing of the American ship depend upon the sharpness of her build in a considerable degree?—It was formerly considered that a ship to sail must be sharp; but latterly that has been found to be a mistake; that a ship to sail requires length, and that she should have sufficient breadth; and that which is required is, that she should have a clean run, that she steer well; and when they apply the requisite quantity of canvass, they find that she sails faster than a sharp ship.

5272. Would not a ship that is built long, and at the same time broad on her beam, measure a large tonnage?—I believe, according to the English and American mode of measurement, they take two-fifths of the breadth of the beam for the hold; it depends therefore more upon the depth of the ship, whether her real tonnage is more than she measures, or whether it is out of the way; I think all those ships upon the improved model are really larger ships than they measure, being deeper.

5273. Are they built round or sharp?—They are built what the seamen term, wall-sided.

5274. Has not the mode of measurement relation to the depth of the hold and bulging sides?—It has not; the breadth of beam determines the measurement depth of the hold. The gain of having them so constructed is, that they carry more burthen, and will sail equally fast with a less quantity of canvass and spars, than the other description of ships.

5275. What number of men navigate a 450 ton ship built at Liverpool?—I am not aware; but I think more by two or three, from the necessity they are under of taking boys.

5276. Do you know how many men are employed in a Company's ship of 1,200 tons?—I believe 120 or 130; but then they have a great variety of duties to perform which an ordinary merchant ship does not require.

5277. What opium was that you purchased in England and sent to Canton this year?—Turkey opium.

5278. Did you ever send any before?—It is a regular business.

5279. Has the export of Turkey opium to Canton increased?—I believe it has very rarely exceeded a thousand chests; it has increased, certainly.

10 June 1830.

J. Bates, Esq.

5280. Are you enabled to state, from your general knowledge of the trade of the East, what effect the monopoly possessed by the East-India Company in the trade with China produces on the trade of the Eastern Islands and of India?—I should say that it is a good deal in the way of it; that it is an obstruction; that it prevents the natural course of trade, which, were it free, would take place; for instance, in the country trade to China they are deprived of the means of remittance to this country or to India. If those who carry on the trade from different parts of India could carry it further on, there would be less loss of freight in ships; a ship which would go from England to Bombay and Calcutta, would go from thence to Canton; but if the ship cannot go from Canton to England, there is a return voyage without profit; while to Canton all the Company's ships go nearly empty.

5281. That affects the trade direct from England to India and China; but what effect does the present monopoly of the China trade produce on the country trade of India and the Eastern Islands?—It so far embarrasses it, that there is everywhere a difficulty, as the trade now stands, to find returns to India or Europe. Formerly it was otherwise; there was an immense amount of specie exported. It is now completely changed; the specie no longer goes to India, but importations of it take place from China by way of Sincapore. Some considerable importations, to the extent of half a million of dollars, are understood to be now on the way; and from Bengal, I understand, very large sums are on the way.

5282. The Company's Factory in China giving to a large extent bills on England for funds supplied to them in Canton, do not the Company practically make those returns to England which are desired by the merchants in the eastern and country trade, and which otherwise might be made either by them or by the British merchant?—If that is the case, there is no doubt the Company make the return which the private-trader would make, and thereby the private-traders are forced to take the Company's bills, which is a disadvantage to them.

5283. Is that injury done to the private-trader the whole extent of injury inflicted on the trade in general by the monopoly of the China trade possessed by the Company?—It is a matter of opinion how far the trade would be extended if the Company's monopoly were to cease. It is my belief that it would be greatly extended; if not, I do not see that any other injury can arise than that of impeding the returns.

5284. The effect of the law being now, that if a merchant trading from England to China desires to make returns, he can only make them through the Company, in your opinion, would the general trade of the East be extended if the merchants trading from India to China were enabled to make those returns

themselves?—I have no doubt it would; that the hope of gain from tea would rather form an additional inducement to the export of British manufactures, and one acting on the other would increase the trade very much; that it might not always be profitable, but in the end I think it would be.

5285. At present the Company's ship goes to China without a freight and returns with one, and the country trader goes to China with a freight and returns without one?—Precisely so.

5286. Are the regulations of the port of Canton, with respect to the entrance of foreign vessels, very strict?—I believe they are very strict; there is however no difficulty, unless there is loss of life, in which case they are very particular to exact a return.

5287. Are those regulations very rigidly enforced?—I doubt whether they are; persons trading to Canton, I believe, know very little of them; there are edicts published, as we all know, against every thing almost which is improper; against opium, for instance.

5288. Have they not, in point of fact, been considerably relaxed with respect to the Americans?—I am not prepared to say; I can only say that the Americans never had much difficulty in business there; they have always gone on very regularly, and without any embarrassment, except on one or two occasions; in one case, of a man murdering a woman, a temporary difficulty was experienced.

5289. Do you think that if free-traders from this country were suffered to go there they would be exposed to more inconvenience from those regulations?—I think not; the consul would, particularly by notifying the regulations of the port on the arrival of the ship, and pointing out the punishment for a departure from those regulations, I think, prevent any difficulty.

5290. Do you know whether the Americans are in the habit of purchasing at Canton a considerable quantity of any species of tea which is not purchased by the East-India Company?—I believe they purchase a much greater quantity of the higher qualities of green tea in proportion to the whole shipment on American account than the Company; but I believe you may buy all descriptions of tea in London, though I suppose the quantity is small at some of the higher prices.

5291. Is there any considerable quantity of tea of inferior description purchased by the Americans, and that is rather rejected than otherwise by the Company in the market of Canton?—I believe that, generally speaking, the tea shipped by the Americans is not so good as that shipped by the Company; there is a portion of as good tea shipped by the Americans; but with tea, as with every thing else coming to this country, the duty forms so large a proportion of the price, that any

10 June 1830. thing very inferior would not be likely to be brought here for consumption.

J. Bates, Esq.

5292. Do you conceive that the Americans, having an opportunity of selecting the superior species of teas, choose the inferior, as finding them more marketable?—More profitable to them; that is the reason, I presume.

5293. When they were in the habit of supplying foreign Europe with tea, do you know what quality they chiefly introduced into Europe?—I can state what the shipments were for one year, presuming that the assortments suited to the market—the year 1828-29.

5294. The question referred to the period when they were in the habit of supplying foreign Europe more largely than they do at present?—I presume that the assortment has been very nearly the same, but I cannot speak precisely to that; it has not occurred to me to examine whether there is more fine tea now consumed in Europe than formerly. I can give it only for the year 1828-29. An assortment of 35,000 chests was divided into 1,500 bohea, 10,600 congou, 4,642 campoi, 1,074 souchong, 2,040 pekoe, 3,276 hyson, 2,340 hyson skin, 3,449 twankay, 2,388 young hyson, 577 imperial, and 434 gunpowder.

5295. Do you not think that if it is a fact that the manufacture of spurious tea is carried on in this country to advantage, that affords strong ground for presuming that the market is insufficiently supplied with genuine tea of the inferior quality?—I should draw the inference from it, that the sale price to the consumer was too high.

5296. Do you happen to know what articles of woollen manufacture imported by the Americans have been most in demand in China?—The Company's woollens or the Company's cloths. A species of ladies' cloth—broad cloth—they have imported the same; and there are a species of coarse woollen called long ell; and the camlets, which is a worsted stuff.

5297. Have you reason to believe there is an increasing demand for those articles?—Perhaps less for those articles; I believe it is increasing, but very slowly.

5298. As far as you had an opportunity of observing, do you think that the Chinese population attend most to the cheapness or to the durability of the article that they purchase?—I think they would attend to the durability; they are very exact judges of quality.

5299. Is it a fact that the articles of cotton which are manufactured by them are found to be more durable than European manufactured articles?—Hitherto, I believe, the nankeens of China have been thought to be superior; but I believe that the difficulty in the competition is now overcome; that nankeens

may be by and by carried to China, and that they would fetch the prices we are in the habit of paying for them at Canton now; the French make nankeens now superior to the Chinese. 10 June 1830. — J. Bates, Esq.

5300. Have you reason to think that much of the loss that has been experienced by the Americans in the Chinese trade has been owing to persons of insufficient capital engaging in it, and experiencing in the first instance great gains?—That is the view I take of it; that the persons who have failed in business (and there have been several failures) engaged without sufficient means; they took up money, some of them on respondentia, and thereby after a successful year they extended their operations; and when a reverse came, with the state of things that took place here, which affected things in every other country, they were overtaken, and were of course ruined.

5301. Is there a considerable export now of manufactures from hence to Java, as well as to Manilla?—There is even now, although the regulations there are much in favour of Dutch manufactures.

5302. Do you happen to know of any American vessel that has lately gone out to China with a very considerable cargo of manufactured goods?—Our house despatched one with a very large cargo within a month.

5303. Can you furnish the Committee with an account of that shipment?—There was the usual quantity of woollens—no cotton goods—amounting to about £55,000, and I think about £100,000 value in opium; probably five or six thousand in metals and other articles.

5304. Can you state the average rate of duty paid in America on teas?—The duty in the United States on tea from China is, on bohea, twelve cents; on souchong and other black, twenty-five cents; hyson and young hyson, forty cents; hyson skin and other green, twenty-eight cents; imperial and gunpowder, fifty cents.

5305. Does that amount to fifty per cent. on the average?—It amounts to more than fifty per cent.; it amounts to seventy-five per cent. on a middling quality of tea.

5306. Do not the Americans occasionally buy green teas at the highest price?—I believe they buy the highest quality of green tea generally.

5307. Are you aware that they give high prices which the Company would not think themselves justified in going to?—I believe they pay very high prices for green tea, the supply being probably short.

The witness is directed to withdraw.

Ordered, That this Committee be adjourned till to-morrow, One o'clock.

Die Veneris, 11° *Junii* 1830.

The LORD PRESIDENT in the Chair.

Mr. CHARLES EVERETT is called in, and examined as follows:

10 June 1830.

Mr. C. Everett.

5308. WHAT is your profession?—I am an American merchant.

5309. Are you an American?—I am.

5310. Are you a commission merchant?—I am.

5311. A commission merchant only?—Yes.

5312. Have you, in that capacity, been engaged in the export to China of British manufactures on American account?—I was the first to ship on the account of Americans; and commenced the business in 1818, and continued it till the end of 1828.

5313. Have you now ceased to conduct that business?—Yes, I have.

5314. Were you engaged extensively in the export of British manufactures on American account?—To China I have shipped to a large amount.

5315. Have you with you any statement of the amount you have shipped at different times?—I have a statement, marked (A.), of the amount, the dates of the shipments, and the quantities by each vessel.

5316. Have the goodness to deliver in the same.

[*The witness delivers in the same, and it is read, and is as follows:*]

(A.)

A STATEMENT of the Amount and Date of the SHIPMENTS of BRITISH MANUFACTURED GOODS purchased by CHARLES EVERETT, for the CHINA TRADE on AMERICAN ACCOUNT; distinguishing the QUANTITIES and VALUE of the leading Articles of Cottons and Woollens; from 1818 to January 1829.

	Packages.	Pieces.	£. s. d.	£. s. d.	£. s. d.
Ophelia:		Canton:			
July 1818 ..	9	58 cloths		1,136 8 11	
Roxana:		Boston:			
Sept. 1818 ..	4	29 cloths		672 18 3	
					1,809 7 2
Augusta:		Gibraltar and Canton:			
July 1819 ..	68	1,344 bombazetts	3,662 5 6		
	1	20 camlets....	144 2 0		
	75	1,500 long ells ..	4,607 14 0		
	33	200 cloths	1,718 5 0		
				10,132 6 6	
Ophelia:		Canton:			
Dec. 1819 ..	8	80 camlets....	585 3 9		
	264	1,824 cloths	15,170 4 8		
	10	200 long ells ..	561 0 0		
				16,316 8 5	
					26,448 14 11

(*continued*)

	Packages.	Pieces.	£.	s.	d.	£.	s.	d.	£.	s.	d.
Robt. Edwards:		Canton:									
March 1820..	286	2,867 camlets....	20,571	0	5						
	50	1,000 bombazetts	1,641	15	8						
	141	2,820 long ells ..	7,865	8	2						
	150	786 cloths	6,518	19	7						
	2	100 cottons....	191	5	2						
						36,788	9	0			
Canton Packet:		Gibraltar and Canton:									
May 1820 ..	100	1,000 camlets....	7,042	8	8						
	205	4,100 bombazetts	9,139	6	6						
	6	24 cloths	208	15	10						
	9	180 long ells ..	505	16	10						
	80	1,388 cottons....	2,492	5	0						
						19,388	2	10			
Houqua:		Canton:									
July 1820 ..	180	3,600 bombazetts	8,333	2	8						
	84	839 camlets....	5,486	14	10						
	54	1,080 long ells ..	3,074	18	2						
	117	702 cloths	5,330	18	4						
	20	2,000 cottons....	1,378	13	9						
						23,604	7	9			
Augusta:		Canton:									
Nov. 1820 ..	20	670 cottons....	1,766	6	5						
	554	4,540 camlets....	30,277	9	2						
	130	2,700 bombazetts	5,927	10	7						
	330	1,982 cloths	17,169	13	6						
	74	1,480 long ells ..	4,159	17	6						
	20	sundries........	557	7	5						
						59,858	4	9			
									139,639	4	4
Cordelia.		Canton:									
Jan. 1821....	305	7,235 cottons....	8,156	7	6						
	23	238 camlets....	868	7	5						
						9,024	15	1			
Nautilus:		Canton:									
April 1821 ..	113	1,125 camlets....	7,817	12	2						
	130	2,600 bombazetts	7,084	17	1						
	177	3,540 long ells ..	9,394	17	6						
	552	3,570 cloths	33,927	16	4						
	227	6,800 cottons....	7,967	2	1						
	32	sundries........	1,741	6	2						
						67,933	11	4			
Ophelia:		Canton:									
Aug. 1821 ..	169	5,836 cottons....	8,836	19	7						
	20	400 bombazetts	1,090	18	5						
	5	100 long ells ..	321	14	2						
	150	1,500 camlets....	9,959	17	6						
	50	sundries........	3,023	0	0						
						23,232	9	8			
									100,190	16	1
Clarissa:		Batavia:									
March 1822..	172	8,590 cottons....	8,154	17	1						
	26	240 cloths	1,770	9	6						
	20	400 long ells ..	957	1	6						
	32	sundries........	2,469	9	4						
						13,351	17	5			
Canton Packet:		Canton:									
Sept. 1822 ..	230	2,300 camlets................				15,116	5	0			
									28,468	2	5

(continued.)

	Packages.	Pieces.	£.	s.	d.	£.	s.	d.	£.	s.	d.
Levant :		Canton :									
March 1823..	50	500 camlets....	2,972	12	8						
	210	4,800 long ells ..	8,209	3	3						
	48	2,730 cottons....	3,705	3	0						
	76	586 cloths	5,459	6	10						
	40	sundries........	2,089	19	2						
						24,436	4	11			
Augusta :		Canton :									
May 1823....	291	5,820 long ells ..	12,413	7	0						
	207	1,720 cloths	9,352	12	6						
	89	5,284 cottons....	7,485	16	8						
		100 tons iron ..	1,181	14	4						
	138	sundries........	5,637	15	2						
						36,071	5	8			
London Packet :		Boston :									
July 1823....	50	1,000 long ells ..	2,244	9	5						
	10	100 camlets ..	561	11	4						
	28	sundries........	1,612	4	10						
Via Liverpool :	40	400 camlets....	2,122	5	2						
						6,540	10	9			
									67,048	1	4
Duseburg :		Boston :									
Feb. 1824....	25	1,148 camlets............				1,329	17	10			
Houqua :											
Aug. 1824 ..	392	23,250 cottons....	21,499	13	0						
	186	3,660 long ells ..	7,440	9	0						
	40	400 camlets ..	2,430	11	8						
	391	2,640 cloths	20,521	0	11						
	41	sundries........	1,212	10	6						
						53,104	5	1			
Nautilus :		Canton :									
Dec. 1824 ..	150	1,500 camlets....	8,726	3	0						
	404	2,840 cloths	23,149	2	1						
	110	2,200 long ells ..	4,224	4	4						
	559	28,662 cottons....	28,085	18	8						
	177	sundries	7,061	12	9						
						71,247	0	10			
									125,681	3	9
London Packet :		Boston :									
Feb. 1825....	10	900 cottons				443	0	0			
Via Liverpool :		Boston :									
April 1825 ..	81	6,583 cottons..............				5,918	2	2			
Ocean :		Boston :									
May 1825 ..	25	500 long ells				1,047	11	0			
									7,408	13	2
Houqua :		Manilla :									
Feb. 1826....	379	28,087 cottons....	22,525	19	2						
	20	220 cloths	2,059	17	2						
	5	100 long ells ..	206	0	0						
	5	50 camlets....	350	0	0						
	2	50 bombazetts	145	9	2						
	17	sundries........	1,826	17	10						
						27,114	3	4	About £80,000 value of the cargoes of the Nautilus and Houqua were purchased in 1825, and the shipments delayed until 1826.		
Nautilus :		Canton :									
July 1826....	206	2,060 camlets ..	13,105	17	0						
	363	2,208 cloths	29 020	2	6						
	448	20,890 cottons....	23,192	1	4						
	90	1,800 bombazetts	5,120	0	6						
	75	sundries........	6,927	4	2						
						77,365	11	6			

(continued.)

	Packages.	Pieces. Canton:	£.	s.	d.	£.	s.	d.	£.	s.	d.
Milo: July 1826....	483	3,020 cloths	20,699	2	2						
	100	2,000 long ells ..	3,941	10	6						
	40	4,000 cottons....	1,290	4	9						
						25,930	17	5			
Danube: Aug. 1826 ..		Canton:									
	558	3,588 cloths	23,881	8	6						
	20	200 camlets....	1,200	0	0						
	289	12,528 cottons....	9,543	18	1						
	25	sundries........	3,209	14	3						
						37,835	0	10			
									168,245	13	1
Milo: Aug. 1827 ..		Canton:									
	204	11,258 cottons....	11,990	8	1						
	50	500 camlets....	4,333	12	2						
	84	508 cloths	3,219	16	11						
	13	sundries........	1,441	18	4						
						20,985	15	6			
Houqua: Sept. 1827 ..		Canton:									
	399	32,690 cottons....	17,629	8	1						
	70	700 camlets....	3,802	19	10						
	16	sundries........	3,278	12	8						
						24,711	0	7			
									45,696	16	1
Dorchester: Feb. 1828....		Boston:									
	7	sundries....................				2,025	8	0			
Augusta: April 1828 ..		Canton:									
	140	7,000 cottons....	7,116	17	2						
	120	1,200 camlets....	6,376	2	6						
	24	sundries........	2,697	19	2						
						16,190	18	10			
Nautilus: July 1828....		Canton:									
	150	1,500 camlets....	7,808	2	6						
	196	1,300 cloths	10,835	4	0						
	45	900 bombazetts	1,838	17	6						
	100	2,000 long ells ..	3,347	6	6						
	142	10,095 cottons....	6,414	2	11						
	92	sundries........	3,021	11	6						
						33,265	4	11			
									51,481	11	9
	14,392	*Packages.*							762,118	4	1

The table (A) shows the whole amount of manufactured goods that have been shipped from this port since the commencement of January 1829, excepting about £6,000 woollens and £2,000 cottons.

I commenced the business in 1818, and continued it until 1828. Since that time the shipments have been continued by my late employers, through Messrs. Baring, Brothers, and Co.

11 June 1830.

Mr. C. Everett.

The subjoined supplement to the above account continues the same, and was delivered in by Mr. JOSHUA BATES, partner in the House of Baring and Co., pursuant to the directions of this Committee.

MEMORANDUM of SHIPMENTS to CHINA, on Account of Americans, by the House of BARING and Co.

1827...	Cottons	£35,580
	Woollens	16,930
	Iron	3,280
	Copper	3,120
	Quicksilver	4,500
	Cochineal	3,280
	Opium	13,370
	Linens, Watches, Tin Plates, Spanish Dollars, &c.	2,380
		£82,440
1828...	Cottons	£24,740
	Woollens	31,070
	Opium	39,000
	Iron	3,440
		£98,250
1829...	Cottons	£34,600
	Woollens	97,720
	East-India Cotton, Raw	6,060
	Iron	5,920
	Lead	2,670
	Steel	500
		£147,470
1830...	Cottons	£6,029
	Woollens	41,641
	Iron and Steel	947
	Opium	83,699
	Trunks, Clocks, Carmine, &c.	1,214
		£133,530
		36,301
		£169,831

5317. Is the export of woollens from this country to China on American account a new branch of trade?—It has been carried on by myself since 1818. Previous to that time the goods could not be sent, on account of the prices being too high; there were some orders received, but which were not executed.

5318. Previous to that period, what were the chief exports of the Americans to Canton?—I cannot say exactly; but it was in specie, iron, lead, &c.

5319. Were there any manufactured goods exported?—None by the Americans.

5320. Do you mean none from this country?—None from this country; and I do not know of any from America. I was not much acquainted with the trade till 1818, and my knowledge of it is confined principally to manufactured goods.

5321. You are not aware of any exports from America to Canton previously to the year 1818, with the exception of dollars?—No.

5322. By that account you have given in, does it appear that the export of woollens and cottons from this country has increased during the period to which that account refers?—It has in quantity; the fall in goods has been so great that the amounts do not appear so much increased as the quantities have been. I have a statement, marked (C), which will show the value of the leading articles at different periods, compared with the value of the same qualities in 1820. One hundred pounds would purchase double the quantity of woollens that it would in 1820.

5323. Have the goodness to deliver that in.—There was a considerable decline previously to 1820, which I did not notice, as I wished to make a calculation from a date when goods were about one hundred per cent. above present prices.

[*The witness delivers in the same, which is read, and is as follows:*]

(C.)

A STATEMENT shewing the Value of *Long Cloths*, *Camlets*, and *Broad Cloths*, compared with the Prices of the same Qualities at different Periods, from 1820 to 1830.

Long Cloths.

In 1821	were	2½	to	5	per cent. less than 1820.
1822	—	5	—	7½	—
1823	—	10	—	15	—
1824	—	20	—	25	—
1825	—	12½	—	15	—
1826	—	30	—	35	—
1827	—	35	—	40	—
1828	—	40	—	45	—
1829	—	45	—	50	—
1830	—	47½	—	50	—

11 June 1830.

Mr. C. Everett.

Camlets.

In 1821	were	5			per cent. less than 1820.
1822	—	10	to	0	—
1823	—	12½	—	15	—
1824	—	15	—	20	—
1825	—	10	—	12½	—
1826	—	17½	—	20	—
1827	—	25	—	30	—
1828	—	30	—	33	—
1829	—	37½	—	40	—
1830	—	42	—	45	—

Broad-Cloths, suitable for the China Trade.

In 1821	were	5	to	7½	less than in 1820.
1822	—	7½	—	10	—
1823	—		—	10	—
1824	—	12	—	15	—
1825	—	5	—	10	—
1826	—	35	—	40	—
1827	—	40	—	42½	—
1828	—	42	—	45½	—
1829	—	45	—	47½	—
1830	—	47½	—	50	—

Long Ells at 55 per Cent. lower than in 1820.

It appears from this Table that double the quantity of manufactured goods can now be purchased for the same sum paid in 1820; therefore, to form a correct estimate of the increase of the exports to China or elsewhere, it will be necessary to compare with the quantities, and not the value of the shipments.

5324. Is the paper you have delivered in formed on your own exports to China?—The calculations are as accurate as I could make them from actual purchases and from the invoices.

5325. Are you able to deliver in a statement of what those exports have fetched in China in those several years?—No, I am not.

5326. Are you aware whether there has been a proportionable diminution of the price of those articles in China?—I do not know what the goods have actually brought in China.

5327. Have you any knowledge generally of the profit which has been made upon those exports?—I have no knowledge of the prices they have brought, nor the profits on them; only I presume the shipments have been profitable, as the export has been continued up to the present time. There is one large shipment gone within six weeks.

5328. Your accounts refer to your own exports?—They do.

5329. Are you aware whether general exports of British

manufactures to China, on American account, have increased in the same proportion ?—The documents from Messrs. W. and J. Brown and Co.'s house, and that of Messrs. Baring and Co., added to mine, will shew nearly the whole amount; so that the Committee can form their own conclusions from those accounts.

5330. You think the exports are confined to those three houses ?—I think they are.

5331. Do you think that any proportion of those exports from this country has been sent on British account ?—Not any by American vessels.

5332. Are you aware whether any such exports have taken place ?—None that I know of, except by Company's vessels; and those were small shipments by the pursers and officers.

5333. There have been none by individuals, so far as you are aware ?—None.

5334. Could not a shipment for China have been effected by a British merchant in an American ship ?—Yes.

5335. You have no reason to suppose that has been done ?—I do not know of any shipments by vessels direct to Canton. There is one shipment now preparing, which I suppose to be on British account.

5336. Is that to a large amount ?—To a considerable amount.

5337. Have not the Americans possessed, for several years, the same facilities for exporting manufactures to China which, if the trade was opened, would be possessed by British merchants ?—I think they have.

5338. Have they more ?—They are perhaps better acquainted with the China trade than British merchants.

5339. Can they export, in your opinion, British manufactures to China at a smaller expense than they could be exported by British merchants ?—That depends on the management of the ships. American vessels are sailed at less expense, and there is less parade.

5340. Is that the general character of their shipping ?—Yes; and the captains are actually sailing masters, and always on the alert, and urging despatch.

5341. Do you think that, in the event of opening the trade, the Americans would still retain that export of British manufactures to China which they now possess; that they would be able to undersell, in that trade, the British merchant ?—They would have the same advantage that they have at present, knowing the trade better than the British merchant.

5342. Do you think they would undersell the British merchant, and keep that trade to themselves ?—It depends on the

11 June 1830. — *Mr. C. Everett.*

management of the British merchants; no doubt they are competent to carry it on.

5343. You stated that the American ships sail at less cost than the British?—The British merchant might employ an American vessel.

5344. But unless he did that, he could not, in your opinion, convey his goods to China at so small a cost as the American?—No, I think not.

5345. Then, unless he adopted that course of conveying his goods to China, you think that the Americans, after the opening of the China trade, would keep that trade to themselves?—Unless the British system is altered, and they could undersell the Americans. The American vessels are built for less money, and they take a less number of men; the captains have no servants; there is not the style that we see on board an English ship.

5346. The Americans having had for several years the power of exporting British manufactures to China, do you not imagine that they have carried their exports to as great an extent already as, under the circumstances which have taken place, they could have been carried to had it been in the hands of British merchants?—By no means; if it had been an open and free trade it might have been increased (in my opinion) very much. Indeed, the capital of the houses that have been engaged in it is not sufficient to carry all the goods which might have been taken.

5347. Had it been a very profitable trade, do you not think more capital might have flowed into it?—It is possible it might; but there but few that have been acquainted with it; there have been two or three houses concerned in the shipments.

5348. You are probably aware that the nature of the trade at Canton has been perfectly well known, and made public for many years, and that peculiar facilities exist in the port of Canton for carrying on trade?—Yes, that is certainly the case; but the Americans have not that capital to put into long voyages that will be found in England.

5349. Had the trade been very profitable, do you not imagine the Americans would have found capital to have carried it on to a greater extent—that they would have borrowed capital?—They may not have been aware that it has been profitable.

5350. If that had been the case, however, do you think it would have become known?—I cannot say.

5351. Do you think the making a great profit in any one line of trade can long remain a secret from merchants in general?—Yes; that the assortment of the goods, and where they are to be procured, is not generally known; and there is no reason

why every merchant should know it. For instance, no one would know what assortments of goods I ship without looking at my books.

5352. In your opinion, the China trade is capable of much greater extension than has been hitherto given to it, provided greater capital were employed?—Yes.

5353. What articles of export do you apprehend are the most profitable?—Cottons and woollens.

5354. What has been the amount of profit on cottons and woollens, you do not know?—No.

5355. But you are disposed to think that the greatest profit could be made upon them?—Yes, of the English manufactures.

5356. Are you aware that the East-India Company state that they have lost on the exports of their cottons and woollens?—I have heard so.

5357. Can you understand how that has taken place?—It is owing perhaps to their giving more for them, and to the expense which attends their movements.

5358. In what part of their trade is that extraordinary expense of which you speak?—I believe it extends through the whole system. Large bodies cannot act with that prudence and economy which individuals can.

5359. It continues from the purchase of the goods to the ultimate sale of the returns?—Yes. I think their shipments have been about £800,000; and I have shipped myself to China and America, five or six years in continuation, £200,000, with the assistance of a few clerks. They maintain an immense establishment for the purpose.

5360. Has the exports of British manufactures to China been doubled in quantity since the year 1821?—The statements I have handed in, when compared with the reports from those three houses to which I have referred, will show your Lordships that exactly.

5361. Have you an account shewing the quantities of each article, and the amount of shipments?—I have.

[*The same is delivered in and read, and is as follows:*]

(B.)

Date.	CLOTHS.		CAMLETS.		LONG ELLS.		COTTONS.		SUNDRIES.	TOTAL.
	Pieces.	Value.	Pieces.	Value.	Pieces.	Value.	Pieces.	Value.	Value.	
		£. s. d.		£. s. d.		£. s. d.		£. s. d.	£. s. d.	£. s. d.
1818	87	1,809 7 2	—	—	—	—	—	—	—	1,809 7 2
1819	2,024	16,888 9 8	100	729 5 9	1,700	5,168 14 0	—	—	3,662 5 6	26,448 14 11
1820	3,494	29,228 7 3	9,246	63,377 13 1	5,560	15,605 10 10	4,158	5,828 10 4	25,599 2 10	139,639 4 4
1821	3,570	33,927 16 4	2,863	18,645 17 1	3,640	9,716 11 8	19,871	24,960 9 4	12,940 1 8	100,190 16 1
1822	240	1,770 9 6	2,300	15,116 5 0	400	957 1 6	8,590	8,154 17 1	2,469 9 4	28,468 2 5
1823	2,356	14,811 19 4	1,000	5,656 9 2	11,620	22,866 19 8	8,014	13,190 19 8	10,521 13 6	67,048 0 4
1824	5,480	43,670 3 0	3,048	12,486 12 6	5,860	11,664 13 4	51,912	49,585 11 8	8,274 3 3	125,681 3 9
1825	—	—	—	—	500	1,047 11 0	7,483	6,361 2 2	—	7,408 13 2
1826	9,036	75,660 10 4	2,310	14,655 17 0	2,100	4,147 10 6	65,500	56,552 3 4	17,229 11 11	168,245 13 1
1827	508	3,219 16 11	1,200	8,136 12 0	—	—	43,948	29,619 16 2	4,720 11 0	45,696 16 1
1828	1,300	10,835 4 0	2,700	14,184 5 0	2,000	3,347 6 6	17,095	13,531 0 1	9,583 16 2	51,481 11 9
	28,095	231,822 3 6	24,767	152,988 16 7	33,380	74,521 19 0	226,571	207,784 9 10	95,000 15 2	762,118 3 1

The above is a Statement of the Quantity and Value of each Description of Manufactured Goods purchased by Charles Everett for the China Trade, from 1818 to 1828.

5362. By that statement it appears that in the year 1820 the number of pieces of cloth shipped was 3,494; in the year 1821, 3,570; it appears by another statement of yours, that since those years the price of cloth has been diminished nearly fifty per cent.; but in the year 1827 it appears that only 508 pieces of cloth were exported, and in the year 1828 only 1,300; can you explain from what circumstance that arose?—They may have been in part of finer cloth by the early vends.

5363. Does that appear on reference to the comparative prices?—There is certainly a great irregularity in the quantity shipped. Of those shipments in the year 1826 one-half of the goods were bought in 1825.

5364. Will you look to the article of camlets; that appears to have diminished in price from forty-two to forty-five per cent. since the year 1821; and the number of pieces of camlet exported in the year 1820 was 9,246; in the year 1821, 2,863; whereas in the last two years, notwithstanding the great diminution of price, the number in 1827 was only 1,200, and in 1828, 2,700; can you account for that?—It may have been that there were too many of them sent the year previous.

5365. In the year 1826 it appears that only 2,310 were sent, and that in the year 1825 none at all was sent?—The shipments in 1825 were delayed till 1826.

5366. The shipment of 1826, which is 2,310, must be divided then between the two years 1825 and 1826?—Yes, it should be so divided.

5367. On a comparison of the shipments of the two last years and the shipment in 1821-22, it would appear that the shipments had fallen off, notwithstanding the diminution of price?—That would appear by this document only; but if your Lordships refer to the shipments of 1829 and the present year, there has been a much greater quantity of camlets shipped than at any former period.

5368. Can you complete this account to the year 1829?—The house of Baring and Company have continued the shipments for the same parties, and their accounts, with Messrs. Browns' statement, will complete the account of American shipments.

5369. If you refer to the article of long ells, in the year 1819 seventeen hundred pieces were exported; in 1820, 5,560; in 1821, 3,640; the prices of long ells appear to be fifty-five per cent. lower than they were in 1820, notwithstanding that in 1826 there are only 2,100 pieces exported, in 1827 none at all, and in 1828, 2,000; in what way do you account for that, supposing the exports to have been profitable?—Perhaps there were none in the market when the orders arrived, and I took

11 June 1830. other goods. You will find from Baring and Company also, that a great quantity of ells were sent in 1829 and 1830.

Mr. C. Everett.

5370. The export of cotton appears to have largely increased?—Yes. Many of your Lordships' questions may be answered by the fact of the orders having been executed at very short notice, and such articles bought as could be furnished within a certain time.

5371. It appears that, with the exception of cotton, the articles were smaller in amount than in the year 1820?—Mr. Baring's shipments being added to mine, will shew that the whole export of those articles has been increased.

5372. The export of British goods on American account from this country having, according to your account, increased very largely during the last three or four years, how do you account for the diminution in the sale value of merchandize imported by Americans into China in the course of these three or four years, 1824-5, 1825-6, and 1826-7?—That may be accounted for by the cargoes having been sent to Manilla or elsewhere after touching at Lintin.

5373. The account to which the question refers, which is No. 25 of the papers presented to Parliament in the year 1829, refers to the sale value of merchandize actually imported into China. By that it appears, that in the year 1824-5 the sale value was 2,439,545 dollars; in 1825-6, 20,050,831 dollars; and in 1826-7, 20,002,549; thus shewing a gradual decrease in the value of the merchandize imported into China by the Americans in those three years; if the exports of British manufactures has increased in those three years, in what articles do you apprehend that the export of the Americans has fallen off?—I cannot answer that question exactly.

5374. You have no knowledge of the trade of the Americans, except that part which has fallen into your own hands?—No, I have not.

5375. In what manner have you purchased your cottons and woollens for your American constituents?—I have bought them generally by samples, and by personal inspection of them.

5376. Not by contracts?—Sometimes by contract, but not by tender.

5377. You think that is an uneconomical mode of transacting business?—It is the worst way, in my opinion, that business can be transacted.

5378. Where a business is of very great extent, do you think it would be equally well conducted without tender?—Yes, certainly I have shipped to America and China altogether, as before-mentioned, two hundred thousand pounds a year, which is one-quarter part of the East-India Company's purchases of goods.

5379. Going into the market as you do, do you apprehend that you obtain as good an article as the Company at as low a price?—Yes, certainly.

5380. When there is any inferiority in any part of the articles you receive, do you reject them?—We reject them, or buy them at a lower price.

5381. Should you say generally the articles you have exported are of as good quality as the articles exported by the Company?—The articles of cloths and camlets are in my opinion better than those the Company have usually sent out; the cloths have been decidedly better.

5382. Have you any means of knowing at what prices the Company have purchased?—No. I have seen some minutes of their contracts.

5383. When you have seen minutes of their contracts, have they in your opinion paid too high a price?—They have paid higher prices than I have done.

5384. Have you had an opportunity of comparing their article with yours?—They have been compared in the China market.

5385. Have they fetched a higher price?—My camlets and cloths have been preferred to the Company's. I have never had any complaint in the long ells; but I knew them to be inferior, as I selected them from rejected goods principally.

5386. If the Company, exporting better long ells than you have done, have lost upon that export, and you, having exported rejected goods, have made a profit, would it not appear that the Company have exported goods of too fine a description for the market?—No; the finer the goods the better, if the prices are in proportion.

5387. Is the general demand for the China market for the finest description of goods?—The finest description of goods I have found answer best; that is, the finest spun articles and useful qualities. The long ell is a very firm stout article, and will wear better than any fabric I am acquainted with in woollens to be had for the same price.

5388. Have you exported various sorts of cotton goods to China?—I have sent in quantity only a few kinds.

5389. Have you sent on speculation any new species of goods?—I have sent samples repeatedly.

5390. Have they succeeded as you have understood?—Some have, and some have not.

5391. Have you been desired to export many of those articles you have sent on speculation?—Yes, several.

5392. To any extent?—There is one article to a great extent I have had manufactured in Leeds.

5393. What is the nature of that article?—Bombazetts. I

11 June 1830.

Mr. C. Everett.

sent one bale, and received back £120 clear profit; and there were orders returned for about 10,000 pieces, and many more would have been shipped if they could have been made all of a particular colour; such orders were not executed.

5394. Do you know what is the commission charged on the sale of goods at Canton?—I believe five per cent. is the usual charge at Canton; but my employers had a partner residing there.

5395. What is the commission usually received by merchants in this country for purchases for American houses?—Two and a half per cent.

5396. Do you act under instructions from the merchants of America, or from houses in this country?—I have acted under the order of houses here in purchasing for China, and by direct orders from America.

5397. Under the orders of what houses do you act?—The orders, in the first instance, were received through Williams and Company, and they now continue through Baring and Company.

5398. You have acted rather as broker for the purchase of the articles?—The orders have in some instances been direct to me; but I have always been acting under the direction of the houses here, who are the banking agents for the parties in America, and control the sales of the return cargoes on the Continent.

5399. You have yourself inspected the goods?—Yes, I have.

5400. Do you go yourself into the country for the purpose of selecting them?—Whenever it is necessary.

5401. Has any improvement taken place in the manufacture of woollens and cottons of England within the last ten years?—Yes, there has been great improvements in cloths.

5402. The article is better, as well as cheaper?—The goods are more even and better finished by the machinery. There has been a machine introduced for shearing, which was previously done by shears, but is now done by a revolving apparatus, or spiral shears.

5403. Have you at all calculated how much per cent. more the best goods now would have fetched in the year 1820 than the best goods manufactured at that time?—The calculations I have given refer always to the same quality of the same article. I have duplicate patterns of former purchases to compare with the present.

5404. In consequence of the great improvement in the quality of some of the articles, the best article will not have fallen in price quite as much as appears in this statement?—In the calculation in the statement (C.) I always refer to the same description of goods which were bought in 1820, and speak of

11 June 1830.

Mr. C. Everett.

the same quality of each article in the subsequent years. There have been improvements in the manufacture, and those improvements have assisted in reducing the prices.

5405. Is it possible now, not only to purchase the same article, an article identically the same as that you would have purchased in 1820 for half the price, but for half the price do you actually get a better article ?—No ; the same article.

5406. Do you apprehend that the improvement in the quality of the article has tended to increase the demand in China ?—The article shipped has been about the same.

5407. Then the more improved articles have not been shipped ?—Yes ; better finished.

5408. They are of the same quality, better finished ?—Yes.

5409. For half the price now you can furnish the same article you furnished in the year 1820; but that article will be better finished than it was in the year 1820 ?—Yes.

5410. Do you mean that they are more durable ?—The cottons are made more even by the steam loom ; and cloths finer spun, and finished better, by the improvements in machinery.

5411. Can you state whether the Americans procure woollens and cotton goods anywhere else to export to Canton besides those they procure from England ?—They procure them from the United States also.

5412. Have you a statement of the quantities they have exported from America of their own manufacture ?—I have.

[*The witness delivers in the same, and it is read, and is as follows.*]

An Account of the Value of Foreign and Domestic Cottons, Woollens, and Metals exported from the Ports of the United States of America in the years ending the 30th September 1827 and 1828, extracted from a General Statement respecting the Import and Export of Merchandize, printed by Order of Congress, February 10th 1829.

—	1827.		1828.	
	Foreign.	American.	Foreign.	American.
Woollens	19,264	—	7,210	—
Cottons	76,274	9,388	204,789	14,981
Cotton Twist	—	—	3,574	—
Iron in pigs, bars, and sheets	3,398	4,250	14,885	—
Copper in pigs and sheets	4,114	—	11,819	—
Tin plates	3,570	—	2,056	—
Lead	178,131	—	69,051	—
Value in dollars	284,751	13,638	313,384	14,981

11 June 1830.

Mr. C. Everett.

5413. Have you any reason to suppose that they have procured woollen manufactures for the purpose of exporting to Canton from any other country in Europe besides England?—No.

5414. Has the quantity exported from the United States increased in the same proportion with the quantity exported from this country?—I believe there have been very few goods sent from the United States recently. I have not heard of any.

5415. Are you upon the whole inclined to believe that the exports from the United States will become greater or less, as compared with those from this country?—It is more convenient to take the goods from hence, if they want any considerable quantity of British manufactured goods, rather than take them from the United States, though some small quantities may go from thence. The expence of sending goods to America and reshipping would be equal to ten per cent.

5416. If they could be carried by British ships, do you think all the goods now carried by American ships would be carried by British ships from hence to India?—A great proportion might be carried by British ships: but it is uncertain.

5417. In preference to American ships?—There are only one or two parties engaged in the trade now; and I believe those parties would give up the trade if it was open; it would be left to the English merchants, unless other Americans engaged in it.

5418. Would not the exporting merchant select the ship in which he could send his goods at the least freight?—Certainly.

5419. If the freight of the American ship was the lowest, would he not send it in an American ship?—Yes, I should think he would. It is generally known, and I believe understood, that an American ship can go at a less expence than an English.

5420. Can you state what is the difference of freight between an American and a British ship at the present moment; from hence to America, for instance?—Very few English ships go from hence to America with manufactured goods; the American ships are taken in preference.

5421. Can you state the comparison on any voyage?—The freight of the British ships is generally lower: but the American ships sailing so much faster, and better commanded, they do not like to ship valuable merchandize by an English vessel to any port in the United States.

5422. When you speak of English freight, do you allude to the amount of freight from London or from English ports generally, taking into consideration the difference between Liverpool and London?—I should take both Liverpool and London, as far as I know the trade. The American packets run regu-

larly; that is another reason they command a better freight; so that no just comparison can be made between the freight of an English and American ship to America.

5423. Can an English ship, under the present American law, carry the same cargo that an American ship can carry from this country?—I believe an English ship can carry the produce and manufactures of England, but not of other countries. Every article I ship to America might be, except foreign merchandize

5424. With what description of vessels were you comparing the American, when you stated that they could sail so much cheaper?—As comparing them with the East-India Company's ships and private-traders.

5425. Are the private-traders sailed with the same parade and expense as the Company's ships?—I believe they are; but I am not fully acquainted that.

5426. What attempts have been made, through you or the houses which employ you, to introduce any new article of export?—I have made repeated experiments, and have succeeded with some articles.

5427. In what kind of articles?—In woollens and cotton long-cloths, of which there are large quantities now shipped and sent out since the first experiment. They were copies of the long-cloths from Bengal.

5428. Have any of those articles succeeded to a considerable extent, so that a large export takes place?—Yes; the export of long-cloths is to a considerable extent. There was no export of long-cloths by the first vessels.

5429. You say that a large shipment has been made within these last six weeks; do you know of what it consisted?—I must beg to refer that question to Messrs. Baring and Company, who shipped the goods by the Bashaw.

5430. Do you not think that the size and the warlike appearance of the East-India Company's ships has had rather a tendency than otherwise to excite the jealousy and the vigilance of the Chinese?—I am not sufficiently acquainted with that part of the subject to answer that question, not having been in China.

5431. Do you not think that if an English free trade were admitted to China, the possession of India by this country would give them a great advantage over the Americans?—No, I conceive not. The Americans have established their character with the Chinese traders, and it would be difficult to dispossess them of the trade.

5432. Would not the possession of India by this country afford the English trader very considerable advantages in carrying on trade with China?—I should suppose it would.

5433. Do you know whether it has been generally expected

11 June 1830. — *Mr. C. Everett.*

by the Americans, that when the existing charter of the East-India Company was at an end the trade with China would be opened?—There is a variety of opinions upon that subject; I do not know what the general opinion is.

5434. Do you know of any considerable American house that is preparing to relinquish that branch of its trade?—I believe the house of Perkins and Company will relinquish their business. Mr. Cushing is gone out for the express purpose of closing their concerns at Canton.

5435. Has not he made a very large fortune by it, first?—Yes, I believe he has.

5436. How much do you suppose?—I suppose about £500,000.

5437. How long has he been in China?—Twenty-two years.

5438. Do you know whether the same house intend to relinquish any other part of their commercial business?—I believe they are giving up the business altogether.

5439. Have they all made as large fortunes as Mr. Cushing?—Being partners, I presume they have, in proportion to their share in the concern.

5440. How many partners were there in that house?—Three.

5441. You have stated that American ships are built at a cheaper rate than English ships; have you any knowledge of the relative prices of ship-building in both countries?—I have no particular knowledge. The principal materials for ship-building are much cheaper in America, and of the best kind; and great improvements are made in the models and rigging, by the constant attention of ship-masters to make the vessels complete and fast sailers. They are generally built under the inspection of captains well acquainted with the qualities required by actual experience.

The witness is directed to withdraw.

Ordered, That this Committee be adjourned to Tuesday next, One o'clock.

Die Martis, 15° *Junii* 1830.

The Lord President in the Chair.

15 June 1830. — *J. Stewart, Esq.*

JOHN STEWART, Esquire, a Member of the House of Commons, attending, is examined as follows:

5442. You have been frequently in China, have you not?—I have.

5443. In what situation have you been there?—I have been there in the situation of mate and commander of a ship, and agent for the transaction of business connected with the ship I

commanded. I have also had other ships, with their cargoes, consigned to me in China, whilst I was there. 15 June 1830.

J. Stewart, Esq.

5444. Have you resided at Canton for a considerable period of time together?—Never more than six or seven months together.

5445. At the time you were agent, did you transact business on your own account?—To a very limited extent. As commander of a ship, and also when mate of a ship, I used to trade on my own account, in a similar way to that in which the commanders and mates of East-India Company's ships trade, though not to such an extent.

5446. With whom did you carry on your trade at Canton?—With the Hong merchants, and with the outside merchants; to a very considerable extent with both.

5447. With which description did you prefer dealing?—With the Hong merchants, generally speaking; but there are certain articles of merchandize which the Hong merchants will not supply; and I have dealt very extensively with the outside merchants, particularly in the purchase of gold and silver bullion, which the Hong merchants would not supply. The returns I had occasion to make from China to my constituents in India were sometimes made to a considerable extent in bullion, and that I used to purchase exclusively from the outside merchants.

5448. The exportation of bullion being contrary to law?—Being prohibited, as I understand, by the law of China, although openly sanctioned by the custom-house officers at Canton, on payment of a small fee.

5449. When you transacted business with the outside merchants, was it not necessary that some Hong merchant should lend his name?—If the purchase is made from an outside merchant, he makes an arrangement with the Hong merchant, and the goods are shipped off from the warehouse of the Hong merchant, so that it appears to be supplied by the Hong merchant; that, however, is an understanding entirely between the outside or shop merchant and the Hong merchant, with which the European purchaser has nothing to do. In purchasing gold and silver bullion from the outside merchant, it is generally received at the house of the purchaser in Canton, and sent on board ship entirely at his own risk.

5450. That was entirely a smuggling transaction?—Not entirely so, as the shipment is permitted by the Chinese custom-house officers, on payment of a fee.

5451. Whether you bought of the Hong or the outside merchant, did you buy by contract, or as you wanted the articles?—As I wanted the articles.

5452. You preferred that mode of carrying on business?—Yes.

15 June 1830.

J. Stewart, Esq.

5453. Did you think you obtained goods of equally good quality in that manner?—Yes. I of course saw a sample of the goods before I settled for the price, and then I gave an order for the quantity, which was prepared accordingly; I might of course superintend the packing of them, if I chose, or depute another to do so; sometimes I did so; at other times I trusted it to the Hong merchant.

5454. Trading with a small capital, you would consider it more advantageous to make your purchases in that manner; but if trading with a very large capital, should you think it advisable?—It would depend on circumstances. Whatever might be the amount of capital, I should consider it necessary to ascertain whether I could purchase goods on better terms from the Hong merchants than from the outside merchants. In purchasing a small quantity of goods, say from 1,000 to 2,000 pounds worth, it would generally be better to deal with the outside merchants, for we could go to their shops and select at once the goods we wanted; but in purchasing a whole ship's cargo, or investing to any large amount, I should conceive it was more advantageous to deal with the Hong merchant.

5455. Purchasing a large quantity at a time from the Hong merchants, should you purchase it by contract, or should you venture to trust the supply of the market, if you were desirous of making a very large purchase?—I do not exactly understand the question; does it refer to a purchase of goods to be delivered at a distant period?

5456. As the East-India Company purchase their teas?—I have always made purchases at the time I have required the goods, and have never bespoken a cargo at a distant period. It would depend on the fluctuations of the market how a purchase by contract answered; it might be advantageous one year, and not so another.

5457. If you were called upon to make a purchase to the extent the East-India Company do, or even a smaller, should you not think it a safer way to make a previous contract for the delivery of the quantity required?—I think I should, if purchasing to such an extent, make a previous contract for the quantity of goods required.

5458. If the Company adhere to the system of making contracts rather than purchasing in the market, it is not to be considered that that is a proof that they conduct their trade carelessly, or with disregard to the expense, but as a circumstance connected with the extent of their demand?—Unquestionably; it is by no means a proof that they conduct their purchases carelessly, but the contrary.

5459. In your opinion, what would be the effect of opening

the trade of Canton to English merchants generally?—Most beneficial, in my opinion, certainly. 15 June 1830.

J. Stewart, Esq.

5460. Have the goodness to explain the effect which that opening of the trade would have, first upon the commerce of this country, and then upon the commerce of India?—I should conceive that it would affect the commerce of this country beneficially, inasmuch as under the operation of a perfectly free trade to Canton I am of opinion that there would be a greater consumption in China of the staples and manufactures of this country, particularly of woollens and metals, but metals more, I think, than any thing else; and China, in its varied productions, would afford the means of making returns direct to this country, if it were desirable, in goods, without loss; whilst returns to a great extent might also be made in bullion, when desirable, there being generally abundance of gold and silver to be obtained at Canton. It would also be the means of employing an increased number of ships and seamen. The effect of such a trade would operate in India on the same principle, by increasing the export of the produce of that country to China. In connection with that part of the question which relates to the trade from this country, perhaps the most profitable mode of carrying on trade with China, if it were perfectly free, would be circuitously, by India—sending a ships' cargo out to India, to be sold there, and the proceeds invested in the produce of India, to be carried on to China, and the returns brought home direct from China, and *vice versâ*. Ships from India would proceed in the first instance to China, from thence to this country, and then return to India.

5461. Do you apprehend that in that trade a profit will be made upon the outward or the homeward cargo?—I think more generally upon the outward cargo. I should say that if the proceeds of the outward cargo were returned to this country without loss, there would be, generally speaking, a fair mercantile profit upon the adventure; the difficulty is at present, and I believe has been for the last ten or twelve years, in getting funds home from China.

5462. Is there at present any difficulty in obtaining bills on England in China?—I believe a very considerable difficulty.

5463. Are not the Company willing to give those bills to some extent?—I believe of late years they have never drawn to any extent on London when they could help it; as when they have required funds at Canton, they have generally preferred giving bills on India to drawing on London.

5464. If the Company were disposed to give to a large extent bills on England at Canton, do you apprehend that under those circumstances the opening of the trade would still produce any considerable advantage to the English trader?—It would depend upon the rate of exchange at which they gave

15 June 1830

J. Stewart, Esq.

the bills; but still under any circumstances I think that the opening of the trade would be advantageous, as I think a more favourable remittance would, generally speaking, be obtained through the medium of goods than through the medium of bills of exchange.

5465. The merchants' gains would be the difference between the profit on the remittance of goods and the difference in remittance by bills?—Yes, if the bills were given at par.

5466. Have not the Americans had the facilities of sending from this country to China British manufactures?—I believe so.

5467. Do you apprehend that, if the trade were open, an English merchant could send British manufactures at a cheaper rate to China than the American merchants can now?—I should suppose they could be sent by the British merchants much on the same terms; I fancy we sail our merchant vessels as cheap as the Americans do now.

5468. The American merchants having now the means of sending their British manufactures to China, and it being your opinion the British merchant, in the event of opening the trade, would not have the means of exporting those manufactures at a smaller cost, what reason have you for thinking that the opening the trade would increase the export of British manufactures to China?—I believe that in this country the shipowner and merchant are frequently combined in the same person. If I owned a ship in the port of London, I apprehend that I could send my goods cheaper to China in my own ship than I could freight them in an American, and I should prefer doing so to trading under a foreign flag, even if that were perfectly unobjectionable; besides, circumstances might occur to interrupt the transit of goods by a foreign flag, such as a war, which would not prevent our sending the same under a British flag.

5469. Do you think, if a British merchant were owner of a ship, he could carry his goods to China at a smaller cost than the American?—Perhaps not at a smaller cost, but with greater facility,—and probably even at a smaller cost; but that would depend upon the rate of freight charged by the one and the other; and the rate of freight might be influenced by a variety of political circumstances; a war, or the prospect of war, might raise the rate of freight by the one, and lower it by the other.

5470. Must not a merchant who exports by his own ship make two profits; the one by his ship, and the other by his goods, and thus be in exactly the situation of a person who exports on the ship of another, and pays freight?—No. It is the custom of some merchants to combine the earnings of the ship and the profit on the goods, making them in fact one adventure, debiting to that adventure the cost and outfit of the ship, and

the price of the goods; and on the return crediting it for the proceeds of the goods or returns, and for the value of the ship at her return. I believe that other merchants again do separate the two, and keep the earnings of the ship quite distinct from the profit or loss on the goods. 15 June 1830. — J. Stewart, Esq.

5471. Though that is a different mode of keeping the accounts, will it make any difference in the extent of the profit of the person who so engaged his capital?—None whatever; only that by keeping the account in one way there might appear a profit on the goods, whilst there was a loss on the ship.

5472. Cannot British manufactures be sent to China by means of the country trade?—Yes, certainly.

5473. Are they to any extent?—To a very limited extent, I believe, at present.

5474. Can you account for that?—Only in this way; that the raw cotton produced in India affords a better chance of profit than British manufactures purchased in India with the advance upon them there.

5475. In point of fact, have not British manufactures been sold in India at a cheaper rate than they could have been procured in London?—Not to my knowledge; my experience would lead me to entertain a different opinion.

5476. Has it not frequently happened that there has been so great a glut of British manufactures in India as to reduce the price below the prime cost?—Not on the western side of India, with the trade of which I am still connected; at Bombay I recollect no instance of this being the case.

5477. If the export of British manufactures to China direct be profitable, are you of opinion that the additional voyage, in which an expense would be incurred by the vessel going to India on the way to China, would so increase the cost of those manufactures as to make the speculation unprofitable?—Certainly, it would have the effect of making the speculation less profitable, and in some instances might made it altogether unprofitable; but I apprehend that British manufactures would never be sent to China circuitously through India; they might be sent to India, and sold or exchanged for other commodities there, and the produce sent on to China; or if the Indian markets were glutted, the goods might certainly then be sent on to China.

5478. The state of the law now allows only Americans to export British manufactures to China direct; the law, however, has allowed British merchants to export them from India to China. The question is, whether the export of British manufactures from India to China would be an unprofitable transaction, the cost of those manufactures having been so much increased by touching in India on the way?—Generally speaking, I apprehend that would be an unprofitable transaction.

15 June 1830.

J. Stewart, Esq.

5479. Have British manufactures been deposited at Sincapore, for the purpose of being taken up by country ships on their way to China, to any extent?—I am not aware whether that has been the case or not; I have had very little communication with Sincapore myself. The ships from Bombay have generally had full cargoes from Bombay to China, and I apprehend have very seldom had any goods from Sincapore.

5480. Might not British manufactures have been sent from hence direct to Sincapore, and then been taken up by British ships and carried on to China?—I think they might, and that it might advantageously have been done.

5481. It is not within your knowledge that it has been done? —No.

5482. Are not you of opinion that would have been done if there had been a prospect of advantage?—Certainly.

5483. What are the circumstances then which induce you to think that, in the event of opening the trade, a much greater quantity of British manufactures would be exported to China? —I think the consumption of them in China would increase under such circumstances, the importation of them to China being at present very much restricted; whereas, if the trade were open, considerable shipments would be made under the British flag and which would find their way into the interior of the country, under the operation of a free trade, conducted with all the commercial enterprize of British merchants. The wants of China, in metals particularly, are very extensive. China does not produce a sufficient quantity of iron or copper for its own consumption; and the exportation of all metals from Canton, with the exception, I think, of lead, is prohibited.

5484. Do you think that the Chinese would purchase to a much greater extent, unless the manufactures of England were offered at a much lower price than they are at present?—I think the price they now bear is sufficiently low to justify the expectation that they would purchase to a considerable extent.

5485. Do you know that the demand of the Chinese for British manufactures has increased in proportion to the diminution, amounting to about fifty per cent., which has taken place in the price of British woollens and cottons in the course of the last ten years?—I have no information enabling me to answer that question.

5486. Would not the natural course of things be, that on so great a diminution of price a larger portion of Chinese capital would be devoted to the purchase of British manufactures than had been before?—I am of opinion that that would be the effect under the operation of a perfectly free trade.

5487. Is not that true as regards the Americans?—I believe it is perfectly so.

5488. Then why should it not have been so under the operation of that perfectly free trade carried on by the Americans? —Possibly it may have been so; I cannot say.

5489. If it has not been so, should you not infer that there has not been a demand in China for a greater quantity of British woollens and cottons?—That would be a natural inference, if the experiment has been fully and fairly tried by the Americans; if they have taken out such goods to the full extent required by China.

5490. You are probably aware, from the returns, that the American trade has amounted in some years to from eight to ten millions of dollars, and that out of that amount not more than two or three millions of dollars in any one year have consisted of goods; do you not think that, having so large a capital as that disposable for trade with China, they would have invested a much larger proportion in British manufactures, if the exportation of those manufactures had proved profitable?—I have no doubt they would invest it in the purchase of any goods that would be likely to yield them the most profitable return.

5491. May it not be inferred, from their not having done that to any considerable extent, but that, on the contrary, their exports of British manufactures to China have diminished of late years, that they have not found it profitable to carry on a trade with that country by an export of manufactures?—Certainly; if their trade in manufactures has diminished, no doubt the inference is, that the profit has become less, or that the facilities have not been so great as they were.

5492. Is there not every facility of introducing into China all metals by means of the country trade?—Yes, every facility.

5493. Will you have the goodness to refer to the article of tin, in the account Number 29 of the Papers presented to Parliament last session, and state whether it appears to you from that return that the export of tin to China has been a profitable and is an increasing transaction?—It appears by this, that the importation of tin by country ships into China has very considerably fallen off since the year 1817-18; but it does not follow from this that the importation may not have increased by other means, tin having been an article of export from this country, and it is also procured at different islands of the Eastern Archipelago, and carried from thence by the Americans and others to China. The Banca tin, in particular, is the very best.

5494. Is there a considerable supply of tin to be got at the Eastern Islands?—Very considerable.

5495. Will you have the goodness to refer to page 8, under the article of tin, and state whether the export of tin by the East-India Company appears to have been on the increase be-

15 June 1830. tween the years 1820-21 and 1828-29; does it not appear that there has been none exported since 1822-23?—It does.

J. Stewart, Esq.

5496. Will you state, from the return in page 44, what appears to have been the course of trade with China in particular?—It seems by this return to have fluctuated very greatly indeed; and it would be almost impossible to draw any conclusion as to the state of the trade in that article, if this return included the whole of the iron that had been imported.

5497. The importation into China in the two last years appears to be very much smaller than the importation of the two first years of that return?—Very much so; but the importation of the year 1827-28 appears to be more than double the importation of the preceding year, 1826-27.

5498. But still not to have exceeded the importation of the year 1817-18?—No; it appears to have come up to just about the same amount.

5499. Will you refer to the article iron, at page 8, the iron exported by the East-India Company, and state the result of that return?—There seems to have been a small increase in the quantity.

5500. Would it not appear, from the returns which you have just referred to, that the export of iron and of tin through the East-India Company and all the country trade to China, had not, in the course of the last ten years, been a transaction attended with such profit as to induce any great extension of it?—It does not appear, certainly, to have been extended by the East-India Company, nor by those engaged in the country trade to China; I cannot say for what reason; but it would follow, I suppose, as a matter of course, that they did not find it so profitable as trading in other articles.

5501. Will you have the goodness to specify the articles of China produce which in your opinion would be obtained from China in case of any great extension of the trade?—I scarcely know any country so productive as China, or which contains such a variety of articles that would be required for the consumption of this country and of Europe. Silk in a manufactured and unmanufactured state might be brought to a very considerable extent; drugs are also produced in China; cotton manufactured into nankeen would also be an article of considerable export; and sugar, if it were permitted here. The sugar-cane in China is very extensively cultivated; and there is a great variety of qualities, the finest and the coarsest sugar in the world being, I believe, produced in China.

5502. Have the goodness to refer to page 42 in that account, a return of the silk goods exported from Canton by the Americans for European consumption, and state whether from that return it would appear that the exportation of silk goods for the

consumption of Europe had been a transaction of profit during that period?—I should infer from this return that it was now becoming an article of very great profit, as I see that from 1824-25 to 1825-26, in one year, it has increased about fourteen millions.

15 June 1830.

J. Stewart, Esq.

5503. Do you not perceive that in the following year there is no export at all?—There is none.

5504. Have the goodness to refer to the article of nankeens, and state whether in your opinion, from this return, that article of export is likely to have been profitable?—No; it appears to have fallen off very considerably.

5505. Will you refer to raw silk?—Raw silk, by this return, would not appear to be an article of much importance.

5506. Or sugar?—That appears to have fallen off also.

5507. With the exception of cassia, which is stated as a separate article in this account, all the other articles to which you have referred must appear under the head of sundries, if such have been imported into Europe; will you state whether the total amount of all other articles not specified, imported under the head of sundries, appears to have been such as to give the appearance of a profitable transaction?—By this return it has not been always so, certainly; the exports under the head of sundries appear to have fluctuated very much latterly, but that did amount altogether to a very considerable sum.

5508. Should you, by looking at this whole account, and especially for the three last years of the export of tea, as well as of other articles specified, by the Americans to Europe, say that the whole return exhibited the appearance of an increasing and profitable trade?—It appears, by the return I now hold in my hand, that the exports of the manufactures of China produce for European consumption by the Americans during the last three years has been on the decline; but I do not conceive that this is a criterion by which we could judge correctly of the profits of a free trade to China under the British flag; there are articles of China produce brought to the continent of Europe under other flags as well as the Americans; certainly, as far as the American exports are included, they appear to have decreased by this return.

5509. You have before admitted that, as regards the Americans, the trade with China is a perfectly free trade?—I believe perfectly free.

5510. Will you have the goodness to refer to No. 26, in page 41, the account of exports from Canton by the Americans intended for American consumption, and state from an inspection of that account whether in the last three years that trade appears to have been a lucrative and increasing trade?—The average value of the last three years will exceed the average value of the three preceding years.

15 June 1830.

J. Stewart, Esq.

5511. Is not the value of the last year in that account only one-half of the value of the preceding year?—Very little more than one-half.

5512. Is not the value of the trade in the last year of that account less by one million than the value of the trade in any other year stated in that account?—Yes, it appears to be so.

5513. What were the articles of produce or of manufacture which you yourself imported into China?—Mostly cotton was the principal article of produce which used to be imported to my consignment at Canton; on one occasion woollens and metals to a considerable extent, purchased from the Bombay government in the year 1805 or 1806.

5514. Were the woollens purchased from the Bombay government?—Yes; they were sent out by the East-India Company, and purchased to a very large extent; and sent on to China by the ship I commanded.

5515. Was the sale of those woollens profitable?—I had no means of ascertaining whether they were or not; I do not know what the cost of them was, and cannot say whether it was profitable or not.

5516. Was the sale of metals profitable?—The metals sent to China were not to so great an extent as the woollens. The metals were mostly resold, I believe at Bombay; some were sent on to China, but whether they yielded a profit or not I cannot take upon myself to say; it was during the previous charter of the East-India Company, and we required a special license to take them on, the exportation of woollens from India to China being at that time prohibited; and we were permitted to take them on only in consequence of their having been purchased from the Company.

5517. Have the goodness to state in what way a merchant calculates the profit on his adventure to China?—He calculates his profit on the whole transaction. I can best answer the question by stating the mode of keeping an account of a commercial adventure from Bombay to China. The prime cost and charges of the goods purchased are debited to the account, together with the freight, insurance, and all charges on to the port of Canton.

5518. So far the account being kept in rupees?—Yes; so far the account being kept in rupees at Bombay. Then the returns are invested in various ways; perhaps some invested in goods for Bombay, others in bullion or in bills; perhaps sent to Bengal or to England, according to circumstances; but the whole is realized at Bombay.

5519. The profit upon the whole transaction is not ascertained till the proceeds of all the returns from China are actually realized in Bombay?—No.

5520. Then the merchant, in keeping his account of a commercial transaction commencing in India and terminating in India, makes it not one transaction; he does not divide the profit into profit on the export and profit on the import cargo? —As far as my own experience goes, it has been the practice to make it one transaction. 15 June 1830. J. Stewart, Esq.

5521. Therefore the profit upon the export cargo, whatever it may be, does not appear stated as such in the books?—No.

5522. Whether the profit be on the export or the import cargo, therefore, is a matter of opinion, but is not to be ascertained by the books of the merchants who enter into those speculations?—Certainly; commercial accounts such as I have mentioned will shew at any time whether the profit has been on the export or the import, because that account shews on one side what the goods cost, and on the other what they sold for at Canton; the merchant may, by analysing the account, with very little trouble ascertain whether the profit or loss has been on the one or the other, or on the two combined.

5523. In what manner do you convert into rupees the sum you receive in China for the export cargo?—We do not convert it into rupees until it is realized in rupees at Bombay; it depends on the rate of exchange at which it can be done.

5524. When you sell your goods in China for tales, in what manner do you convert those tales into rupees, for the purpose of ascertaining whether there has been a profit or loss in the transaction?—We would convert them into rupees at the current exchange existing between Bombay and China at the time.

5525. Would you state the profit upon a transaction of commerce between Europe and China to arise from the export trade? —If I were entering into a commercial transaction myself, I should keep the account exactly in the way I have stated; whether it were a direct voyage to China, or a circuitous voyage, I should debit the accounts with the investment and charges, and credit it with the proceeds as they came in; I should make no difference in the mode of keeping the account.

5526. When you say there is a profit on the export and none on the import, the import is nothing more than the mode of remittance?—Exactly so.

5527. In a free commerce between this country and Canton, will not the merchant of this country have a more easy and more profitable mode of remittance than the American merchant?—It is my opinion that he would have a more easy and more profitable mode of remittance.

5528. Have the goodness to state why you think it would be more profitable?—I apprehend that a British ship would, in the first place, import her cargo into this country at lower

15 June 1830.

J. Stewart, Esq.

duties and under much more favourable circumstances than importations could be made under the American flag; and I am also of opinion that we can navigate our ships fully as cheap as the Americans. I cannot entertain any doubt that returns made from any foreign state to Great Britain could be made more advantageously under the British than under any foreign flag.

5529. Can you state the proportionate loss on the freight of a circuitous voyage to Canton through India, and a direct voyage, if permitted, from England to Canton?—At present it would be very little indeed; the rate of freight outward-bound to China by India being so very low, it is almost nominal; it has been as low within the last two or three years as fifteen to twenty shillings per ton; it is now a little higher; but the ships of late years have been going out to India in ballast—almost without cargo.

5530. What would be the loss in point of time?—From two to three months, I apprehend, supposing there were no detention in India beyond that requisite to unload and load the cargo.

5531. Could the cargo be exported from India without having been unloaded in the port to which it was sent?—I apprehend there would be no objection to their carrying on their cargo without being landed; but that would rest entirely with the East-India Company, as a country ship cannot go to Canton now without a license from the Company's government in India.

5532. Do you think an English merchant, in the event of a free trade, would have an advantage over an American merchant, in making a remittance of goods to Continental Europe?—Not that I am aware of; unless he could sail his ship cheaper, I apprehend they would be very much on a par.

5533. If he could sail his ship cheaper, he would make a greater profit on the outward as well as the homeward cargo?—No doubt.

5534. In what description of vessels is the country trade of India carried on as to build and size?—They are very fine vessels, as fine merchantmen as any in the world, and I think the size now varies from five to seven hundred tons; there are a few in the trade as large as a thousand tons; there were formerly twelve hundred ton ships in the trade.

5535. By whom are they navigated?—Entirely by Asiatic seamen, but commanded and officered by Europeans.

5536. Of what country are the Asiatics?—Mostly natives of Guzzerat and the adjacent country, in the ships belonging to Bombay.

5537. What is the freight, in a country ship, from Bombay to Canton and back?—By the latest accounts, the freight from

Bombay to China is about five pounds per ton; the freight back is not generally reckoned by the ton, but the whole ship, when not loaded by her owner, is generally taken for a slump sum, and which, perhaps, might be estimated at from thirty shillings to two pounds a ton; I should say that for about seven pounds per ton a ship could now be chartered to go from Canton to Bombay and back.

5538. What would be the freight of a British ship from Bombay to Canton?—I apprehend the same.

5539. Is there no difference in the expense of building and navigating a country and a British ship?—The expense of building at Bombay is fully as great, if not more, than the expense of building in this country; and there is not much difference in the expense of navigating with Europeans, as fewer British seamen are required in proportion to the size of the ship than if she were manned with Asiatics.

5540. Do you think the trade with Canton would be carried on as conveniently, as well as more economically, in vessels of six hundred tons than it is in vessels of twelve hundred tons, by the Company?—I think that, except as regards the port charges at Canton, a vessel of five or six hnndred tons is better adapted for river navigation in any part of the world than a ship of twelve hundred tons; but a ship of twelve hundred tons has a great advantage in trading to China, as the port charges at Canton are much lower in proportion to the tonnage of a large vessel than they are on a small vessel.

5541. What would be the difference between a vessel of twelve hundred tons and one of six hundred tons?—Perhaps two pounds a ton; but I cannot state that correctly.

5542. Do you mean upon the difference, or upon the whole? —Two pounds a ton upon the difference of six hundred tons; but I cannot state it accurately, without referring to documents, and going into the calculation.

5543. Will you have the goodness to refer to No. 18, and No. 41; would it not appear from the comparison of these accounts, that the total charge per ton is little more than a pound on a Company's ship at the port of Canton?—Yes; by this return it is scarcely a pound.

5544. The difference, therefore, must be very much less than you had at first imagined?—The difference is considerable. There is a certain item of charge which they call a cumshaw, or present, amounting to 1,900 tales, levied on every ship, whatever her size may be, which is more than £600 of itself; and a ship of 100 tons burthen has to pay that charge, whilst one of twelve hundred tons pays only the same. The mode in which they determine the amount of the other port charge is by measuring the ship from the centre of the fore-mast to the cen-

15 June 1830. — *J. Stewart, Esq.*

tre of the mizen-mast, and taking the extreme breadth on the upper deck; and it is from this measurement that they compute the other part of the port charge, and it subjects a small ship to a much heavier charge in proportion than it does a large one, and it is consequently in that point of view much more advantageous to trade to China with a large ship, as far as the port charges are concerned, than with a small one. The port charges in any case are very heavy at Canton; but I would beg to correct the answer I made when I estimated the difference of charge between a large and a small ship at about two pounds per ton, as I think now that it cannot be so much.

5545. If the account number 41 states the whole of the charges imposed by the Chinese government on ships entering the port of Canton, the difference of charges on a small and a large ship must be less than you at first imagined?—This statement does not alter the opinion I gave as to the relative difference; in stating that there would be a difference of about two pounds per ton, that I apprehend would, generally speaking, be an over estimate, but the relative difference will still be very great; it will probably be one-half in some ships, one-third in others, and one-fourth in others, according to their relative tonnage.

5546. Do Company's ships remain much longer at Canton than the ships of private merchants?—Generally speaking, they do; but that depends upon the period of their arrival. They arrive at Canton at different periods of time, and they begin to load and despatch them when the new teas come down, which is generally in October or November; and they continue sailing up to February, two or three at a time, every fortnight.

5547. Do the Factory appear to take pains to despatch the ships as soon as they can?—Yes, certainly.

5548. Is the time of their arrival so calculated as not to entail any unnecessary demurrage?—Yes I think that the arrival and despatch of the Company's ships at Canton was, so far as I had an opportunity of seeing, managed as well as it could be.

5549. Are teas, in your opinion, conveyed more safely in a ship of 1,200 than a ship of 600 tons?—No; I cannot conceive there would be any difference in the safety of their conveyance.

5550. They would not incur any damage by being shipped in a ship of 600 tons?—I do not apprehend they would incur more danger or risk in a ship of 600 tons than in a ship of 1,200 tons.

5551. Will a ship of 600 tons have as large a quantity on board as a ship of 1,200 tons in proportion to the tonnage?—Generally speaking, she would; but much depends upon the formation of the vessel. Some ships that measure 1,200 tons will not carry so much tea by 100 tons as others of the same registered tonnage, the measurement being calculated according

to the length, depth, and extreme breadth; and ships that do not carry the breadth low down, but are built sharp like a wedge, are not burthensome for cargo.

5552. When an engagement is made by a ship-owner for the freight, does that engagement rest on the registered tonnage, or the actual tonnage of the vessel?—Sometimes one, sometimes the other. I understand that the East-India Company in engaging ships pay a certain rate of freight for the registered tonnage, and a less rate for any surplus the ship can take beyond the registered tonnage. In my own experience, we have generally engaged tonnage for the quantity the ship can take on board, so as not to overload her, but to leave her seaworthy.

5553. Are you extensively acquainted with shipping?—Yes; I have been concerned in East-India shipping for many years, and am so still.

5554. Can you state whether much improvement has taken place in the ship-building of this country as to enabling a British ship to compete with an American ship, or more easily carry a large cargo?—I have no means of answering that question.

5555. Has there been a great improvement in the mode of building the merchant ships of this country, with respect to their sailing?—I am not aware that there has been any material improvement for some years back.

5556. You do not build ships?—No; not in this country. My connexion with shipping is mostly with shipping built in India, and trading between India and China.

5557. Supposing a free trade were open, do you think that a new class of ships would be constructed in this country applicable to that trade?—Yes; I think it very likely that ships of from 600 or 700 tons would be built for that purpose.

5558. What charges in this country does the mode of registering tonnage affect?—I cannot answer that question, having no concern with the shipping of this country.

5559. Are the ships you are acquainted with in the East measured in the same way as in England?—Yes, exactly the same.

5560. Then does it not follow, taking the measurement from the length and breadth and depth of the midships, giving greater width fore and aft, that it must be more advantageous in point of measurement?—Yes; it would be a more burthensome ship, and stow more cargo; but then it would tend to impede her sailing.

5561. Are not the Chinese goods, imported into America by the Americans in return for the British manufactures they export, exclusively intended for the markets either of the United States or the continent of Europe?—I believe entirely;

15 June 1830.

J. Stewart, Esq.

I am not aware of any attempt to export goods direct to England from China by American ships.

5562. Would not the effect of that be, that the exports of British manufactures by Americans would be limited rather by a chance of profitable sale of the return cargo than by a demand in China itself for the British goods?—Yes, no doubt of it.

5563. But if the American could import into this great market of England China produce, he would then be enabled to speculate more advantageously in the export of British manufactures?—Yes; if he were permitted to export them on the same terms as he could do under the British flag.

5564. So that, although the American exports of British manufactures may not have been on the increase, it does not at all follow from that that there would be no increase of British manufactures exported to China for that market, if the English market was open to a return cargo of Chinese produce?—Certainly, it does not follow that there would not be an increase of export under the British flag if the trade were perfectly unrestricted; and I apprehend the point could not be ascertained, as regards the Americans, unless they were permitted to import on the same terms.

5565. If the market for the produce and manufactures of China, as exported thence by the Americans, were generally extended, their exports to China might be extended for the purpose of meeting that extension of the market for Chinese produce and manufactures; but does it follow that the export of any particular article of manufacture or of produce from China by Americans would be extended, because their whole trade is extended?—I apprehend that would follow as a matter of course. I apprehend that, on general principles, if there was an increased demand for China produce all over the world, and that that China produce could be purchased in China by British manufactures, exported from this country under the American or any other flag, the increased demand would naturally lead to increased exports from this country.

5566. Would not an increased export take place clearly in that description of manufacture which could be exported with the greatest profit; and would the export of British manufactures be increased unless they could be exported to greater profit than other articles of produce or manufacture sent to the Chinese market?—The export would naturally be greatest in that article which afforded the greatest profit; but I think the export trade would increase generally under the circumstances stated.

5567. While there is no reason, from the general extension of that trade, to argue that the export of any one particular

article of manufacture would be increased, neither is there any reason to infer that the export of that article would be increased; the general amount of the exports would be increased, but you cannot say that any one particular article would be increased?—I should say that the export trade certainly would increase; and that the export of particular articles would depend entirely on the demand for them in China.

5568. If the general exports were to increase, and the export of any specified articles were to remain the same, the remainder of the export must consist of new articles, not previously imported?—Yes.

5569. If the general commerce increased, would not the presumption be in favour of every article of which it is composed?—Certainly.

5570. Have the goodness to refer to the Account, No. 25, page 40, and look at the years 1821-22 and 1824-25; does it not appear by this return that the sale value of the merchandize imported into China by the Americans in 1821-22 amounted to 3,074,741 dollars, and in the year 1824-5 to 2,437,545; that there had been a very considerable increase in the total value of exports to China by the Americans, comparing the last of those years with the first, and therefore a great extension of general trade; but that it had not been found advantageous to make that extension of the trade by an increased export of manufactures, but the contrary, for that there had been a diminution to the amount of more than 600,000 dollars on the export of manufactures, while there had been an increase of nearly 700,000 dollars in the total amount of the export trade? —I should say, if I understand the question rightly, that this return does not enable me to judge whether there has been an increased or a diminished export of manufactures. There appears to have been a diminished export in value of goods, but whether the quantity has increased or diminished does not appear from this return. I confess I do not very clearly understand this return in the way in which it is framed.

5571. Would it not however appear from the return, that, notwithstanding the considerable increase of the trade which took place in the latter of those years to which reference has been made, and in the value of the produce and manufactures of China exported in that year, the Chinese have devoted to the purchase of manufactures a much smaller sum in the latter year than they did in the former?—If the first column in the return refers merely to the value at which the goods have sold at Canton, certainly the Chinese have paid less for the imports by Americans for that year than they did in the year 1821-22.

5572. Though a larger proportion of American capital was devoted to the exporting from China Chinese productions and manufactures, was not a smaller portion of Chinese capital devoted to the purchase of that part of the American import into

15 June 1830.

J. Stewart, Esq.

China which consisted of merchandize?—That appears by this return to have been the case.

5573. Do you consider that any table of actual value is to be taken as an accurate criterion of the amount of demand and supply of the commerce carried on?—No, certainly not; I think it is quite impossible to draw any correct conclusion as to the fluctuations in commerce from such an account as this, which only relates to value.

5574. Have the goodness to refer to No. 37, page 98, of the accounts now shewn to you, under the head of woollen manufactures; if it should appear that in the year 1814 the declared value of the pieces of woollen manufacture exported was £215,815, and that in the year 1828 the declared value of the same species of articles was £217,454, should you be accurate in inferring that there had been no greater exports in the latter year than in the former, than the difference between the £215,000 and the £217,000?—I should say that would not be a correct conclusion to come to.

5575. The fact being, that in the year 1814 the number of pieces exported, which were valued at £215,000, were 12,569, and the number of pieces which in 1828 were valued at £217,000 were 33,458?—That appears to be the fact.

5576. Does not that prove that the statement of declared value is not a measure of the amount of commercial intercourse?—It does establish that fact clearly.

5577. Do you not estimate the demand for an article by the amount of capital applied to the purchase of it?—No; I should rather estimate the amount of capital required by the demand for the article.

5578. In the event of opening the trade with China to all British subjects, do you think it would be necessary to establish some public authority at Canton, which should have the power of controlling the conduct of all British merchants and subjects trading to that port?—Yes, I should think that essentially necessary to the preservation of the trade; I state that from my own knowledge of the peculiarities of the Chinese, and the necessity of controlling Europeans visiting Canton.

5579. In what manner would you give to that public officer, so established at Canton, an effectual control over the conduct of British subjects; merely by a change in the act of the Legislature, or would you give him some esssential authority?—I conceive the authority now vested by the Act of Parliament in the East-India Company's supercargoes is quite sufficient.

5580. Would you propose that the papers of the ship should be necessarily deposited with that officer immediately on its arrival?—No, it would not be necessary; they are usually carried now to the President of the Select Committee, for his inspection.

5581. What powers have the supercargoes?—They have very extensive powers; they are empowered to remove from Canton

or from any of the islands on the coast of China, any British subject, whenever they think it proper to do so; and they are entitled to call upon the commander of any British ship at Canton for physical force to enable them to carry their determination into effect. They can also interdict the whole British trade at any time, if they think proper. In fact, every British ship going to Canton may be controlled by the Select Committee, and not only the ship and cargo, but the crew; they are obliged to comply with any orders the Select Committee may issue to them. 15 June 1830. — *J. Stewart, Esq.*

5582. Do you think it necessary this power should be continued, or other powers substituted for it?—I think it necessary a power of that nature should be retained.

5583. Do you know what powers the Dutch consuls possess?—I do not.

The witness is directed to withdraw.

Ordered, That this Committee be adjourned to Thursday next, one o'clock.

Die Jovis, 17° *Junii* 1830.

The LORD PRESIDENT in the Chair.

Mr. JOHN SIMPSON is called in, and examined as follows: 17 June 1830. — *Mr. J. Simpson.*

5584. WHAT is your business?—That of an insurance broker in London.

5585. Have you been long engaged in that business?—Yes, upwards of thirty years.

5586. What is at present the insurance upon a ship of the best description to Canton and back?—The premium now is about six per cent. out and home.

5587. Is that the premium on the best of the Company's ships?—It is.

5588. Do not the Company usually insure themselves?—They never do.

5589. What is this—the insurance on goods of private persons on board?—Yes; and some ships belonging to private individuals are insured at that rate.

5590. What ships belonging to private individuals do you refer to?—There are a great many belonging to private individuals that are taken up by the Company for a certain number of voyages out and home; it is these I allude to.

5591. Is there a difference in the rate of insurance on those vessels, and on the goods carried in the East-India Company's vessels?—No, not any.

5592. There is no difference in the rate of insurance between a ship of 600 and one of 1200 tons?—No; many would prefer the smaller.

17 June 1830.

Mr. J. Simpson.

5593. Do the Americans effect insurances on their ships in this country, when they undertake a voyage to Canton?—Very seldom.

5594. Do you know of any instance?—I remember one some years ago, and the premium was complained of, stating they could have done it at less expense in America.

5595. Was it insured at a higher or lower premium than an English one, and at the same time?—About the same rate.

5596. Has there been any great alteration in the rate of insurance since the peace?—Not by the Company's ships.

5597. None at all?—Not any; it has always been the same on the Company's ships, to China particularly.

5598. Is it not supposed that the sea risk is smaller now than it was formerly?—No, I never heard of any such supposition.

5599. Not since the peace?—No; the sea risk is the same always. I am not aware that the seasons have changed.

5600. Are there other vessels better navigated and better found than there used to be, and which make their voyages in a much shorter time than they did?—No; I don't think there are. In the time of war, going with convoy, they were longer; but since the peace it has been usually the same.

5601. Are Liverpool ships insured in Liverpool as they are at London?—That trade is confined to Bombay, Calcutta, and other parts; not to China. The Liverpool insurances are generally done in London, and at a less rate than what the ships of the Company are done at now; same voyage.

5602. Is that the case with ships from any of the other outports?—Yes, it is generally; there is much greater competition in the doing of them than in the trade of the Company's ships. The premium upon private vessels to China and back would be £5 per cent. instead of £6. Were the trade open immediately, it would be less, from its being less risk, as they would not be subject to mischief in the Downs; and less from the competition that would take place, as the outport business is done in London through brokers, between whom there is always great competition. I have seen lately a ship done from here to Calcutta and back at £6 per cent. belonging to a London house, and I have seen a similar ship belonging to Liverpool, from London to Calcutta and back, for £4 at the same time.

5603. The vessels being equally seaworthy?—Yes.

5604. How much of that difference do you attribute to the greater danger of a voyage from London?—They were both from hence; but the private trade has that competition which the Company's trade and ships have not. The premium of out and home at £6 per cent. is an old established premium given in London, and given and taken in both ways.

5605. Why should not the Company's officers, who insure the goods they ship for China, insure them at a lower instead

of a higher rate; they might go to any one, might not they?—I do not know. There are old established connexions, and perhaps credit; and many of those who give £6 per cent. are underwriters themselves, and take six per cent. There is not that competition, nor ever was, that there would be if the trade were opened. 17 June 1830. Mr. J. Simpson.

5606. You think the effect of opening the trade would be, that the insurance at this time of a good ship would be about £4 to Calcutta and back?—Yes; and £5 to Canton and back.

5607. Is it the same to Canton as it is to Calcutta?—There would be about one per cent. difference always.

5608. Where; to Canton more?—Yes.

The witness is directed to withdraw.

CAPTAIN WILLIAM MAXFIELD is called in, and examined as follows:

5609. WHAT is your profession, Captain Maxfield?—I have been employed in the naval service of the East-India Company in India. Capt. W. Maxfield.

5610. Were you in that service many years?—For almost an uninterrupted period of twenty-five years.

5611. Had you occasion, during that period, to be frequently employed in different situations?—Yes, in various situations.

5612. Had you extensive means of becoming acquainted with the commercial shipping of the Company?—Yes.

5613. What is the number of men, and what is the number of guns, in a China ship of the largest dimensions and of the highest tonnage?—I should imagine, speaking from recollection, the number of men would be about 130, and probably, at the present time, from thirty to forty guns, in the 1200 or 1400 tons ships; from thirty to forty guns and 130 men; I think they generally estimate the men at ten per 100 tons.

5614. How many men would there be to work her?—If the question is meant in action, I should say the whole of the crew would not be more than would be competent to work; being very heavy-rigged vessels, or almost as heavy as a seventy-four, the whole 130 would be employed if there were much manœuvring; but to fight such a ship well with 130 men is quite out of the question.

5615. How many men ought there to be to each gun?—It depends on the size of the gun.

5616. What is the size of the guns?—I take it they mostly carry on their main decks eighteen-pounders; I dare say they do. I have seen some eighteen-pounders on board some of them, twelve and eighteen-pounders, and some of a lighter description of gun; they are not confined to any particular class of gun; the number of guns is settled by the Company. I speak from the belief of the variety of guns I have seen on

17 June 1830. — Capt. W. Maxfield.

board; I have seen some with the govers gun, and a variety of them; I believe that is optional with the owners; I am not positive.

5617. You cannot say how many men you think would be required to work half her guns?—Why, so to fight the guns and to work the ship at the same time, we must embrace the manœuvering of the vessel, as well as having the guns below. It would depend on how she was to be fought. If she were to be fought as a man-of-war, she requires a considerable number more than her ordinary complement; but if it is to be considered as that sort of defence you expect from a merchant ship with a limited number of hands, the action would be carried on with less spirit and effect than if the guns had more men to fight them.

5618. How should you estimate the efficiency of one of the Company's large China ships as a man-of-war; to what sized man-of-war would she be equal?—That is a difficult question to answer with reference to the actual number of men put on board agreeably to their present establishment. It would be invidious to say what I think of it as to a vessel of war; but it can best be answered by coming at what they have taken, and what they have been taken by.

5619. Will you state any instance of their having been taken?—I recollect the capture of the Kent, and of the Triton, two 800 ton ships. The Kent had troops on board independent of her crew; 100 or 200 troops besides the complement of the ship. The Kent was taken by a French privateer of sixteen or eighteen guns, called the "Confiance," in the bay of Bengal.

5620. How many guns had the Kent?—About thirty or forty guns on board, I suppose.

5621. Had she that number with only 800 tons?—I dare say she might have had thirty, for in war time I imagine the owners put on board more guns than the ordinary establishment now. I imagine she had thirty guns, but probably twenty-six; some 800 tons have twenty-six. I, however, think it is more than probable she had thirty at the time.

5622. You have been speaking of a China ship as having 130 men?—Yes.

5623. Do you know an instance of a China ship being taken?—I cannot call to my recollection any taken by a vessel of that description; I recollect the "Brunswick" being taken, but she was taken by a French eighty-four and two frigates; but that does not bear on the question. I cannot call to my recollection; it does not immediately occur to me.

5624. In what manner do the Company take up their ships for the China trade?—I believe they take up their ships generally by public tender, by advertisement.

5625. For what period of time?—I believe the China ships are by the letter of an Act of Parliament taken up for six voyages, except in some cases of emergency, in which the Act

permits the Company to engage them for one; but the generality of the China ships are engaged for six voyages certain. 17 June 1830.

Capt. W. Maxfield.

5626. The Act permits the Company to take up ships that have gone six voyages for a shorter period afterwards?—Yes.

5627. The Act does not oblige the Company to take ships of a particular tonnage?—I cannot speak precisely to that particular Act, whether it limits them or not; but the general Act with respect to the commerce of India limited the size of free-traders to a certain tonnage; but I am not aware whether the Act of the 58th of George the Third specifically adverts to the size. I suppose the Company are left to engage them as suits their convenience.

5628. Can you compare the trade to China for a ship of 600 tons and a ship of 1200 tons; what would be the difference?—I do not know what would be the difference; I cannot state what would be the difference; but there are so few ships of 1200 tons applicable to any trade in England, except the trade with China. There is no other trade England possesses that requires ships of that class. The ships being few, the competition must be comparatively trifling. It is not easy to come at the fact of the relative expense or rate at which such ships could sail; but I should conceive, that if I were permitted to trade to China, or any where else, and I had two ships, one of 1200 tons and the other of 600 tons, I should sail the 1200 ton ship for less than double the expense for which I could sail the other. It would not cost me more. But I should feel very reluctant in expending that large amount of capital in one block; it might not even be judicious to do it, thought it might at first appear to be economy. That is quite a matter of opinion.

5629. You have never been in China yourself?—I have never been at China. I have been in the China seas cruizing.

5630. Then any information you could give would be from hearsay?—As to China itself.

5631. Has a ship of 1200 tons any advantage over a ship of 600 tons, in navigating the China seas?—No. I am aware that large ships have some advantage in the port duties at China, from that mode of levying the duty by measurement; but I know of no other advantage that she would have.

5632. None in navigation?—No, not in point of navigation. I think she would have less advantage; she would be more likely to meet with accident than a smaller one, and she is less convenient for taking in cargo.

5633. Do you consider the East-India Company's mode of chartering ships as economical?—No.

5634. In what respect?—In illustrating why I conceive it not to be economical, it will be necessary to go into a little more than the chartering;—it is the application of the trade after getting possession of it, as well as the mode of taking the ships

17 June 1830. — Capt. W. Maxfield.

up. I beg to state why I consider it not economical. If the Company confine their trade with China to a class of ships with which there is no competition in a British market, it is quite clear these ships are built expressly for their trade, and being inapplicable to any other, it reduces the competitors in the market in their employment, and consequently augments the expense. But to say that they don't conduct their trade economically, I might go to the mode of loading their ships. Those large ships are taken up at the high rate of freight at which the Company have been hiring them during the war, say at fourty-four pounds and fifty-five pounds per ton, which for many years were sent from India to China; not above one-half were laden on the Company's account; from Bombay to China not unfrequently above two-fifths laden on the Company's account; the remaining three-fifths became the emolument of the commander, who received on board cotton from Bombay, and carried it into the China market, and met the East-India Company in their own market. I can't consider that an economical way of employing a ship, taking it at such a rate of freight.

5635. If a different mode of contracting for ships were pursued, you conceive there would be a saving in the commercial expenditure of the Company?—Undoubtedly; inasmuch as tonnage, I conceive, might be had at about ten pounds per ton to and from China. If the ships of the country, generally called A. at Lloyd's, were engaged instead of these large expensive ships, I conceive a saving might be made of between £500,000 and £700,000 a voyage on the whole of the ships engaged at one period in the East-India Company's service, imagining that they all made one voyage. I take the whole of the ships at one period in the employment of the Company, but they don't all make one voyage in the year; some of them are out, and some of them are at home, and some on their passage, some fitting out; I am taking the whole of the ships engaged. It is with reference to a statement I laid before the Court of Proprietors, describing the rate at which their ships were taken out; my observation applies to what is founded on that data. If they all made one voyage, such a sum would be saved. It would be a very considerable saving, for the larger ships are taken up as high as twenty-six pounds per ton; if a ship could be had at ten pounds per ton, the saving would be enormous.

5636. Do you conceive there is any disadvantage, in a commercial point of view, in fitting up the East-India Company's ships in the expensive way they are, partly for commercial purposes and partly for warlike purposes?—No; I can't consider the advantage to be derived from the mode of equipping them commensurate with the increased expence attending it.

5637. Can you state an instance of a China ship being lost at sea?—I remember a ship called the "True Briton," that was

never heard of, on her voyage from Bombay to China. But it may be as well to state that a ship that leaves China, as the Company's ships do, laden with tea—the finest and the lightest cargo in the world—must be a wretchedly bad ship if she can't make a voyage to Europe at the season of the year the most favourable of all others. There is an instance of one, the "Ganges," which was lost on the return voyage; that was a 1,200 ton ship. A tea cargo is perhaps better adapted for rendering a ship safe than any other that can be put on board a ship.

5638. Are not articles exported to China less bulky than those imported from China?—I believe the East-India Company export very little to China, and what they do I don't suppose occupies one-third of the tonnage of the ship altogether. The freight is of great value, whether occupied or not; but they export articles of great value.

5639. Is not that the reason why they do not occupy so much room, that the articles are small in bulk and great in value?—Yes; that is a reason why they should furnish tonnage sufficient to bring home tea; but I have adverted to the lading of ships only partially from Bombay to China. It was the more remarkable, as the Company at the period I allude to, when these ships were but half laden from Bombay to China, received cotton as revenue from Guzzerat, which they might and ought to have sent to China in their own ships, to pay for the tea.

5640. Do you know what was the price of cotton at that time in India?—No; but cotton has always been an article of demand at China, and what in general realizes a profit. I think I might safely add, always from Bombay; but in general, certainly.

5641. The Americans trading in dollars principally to China, must, in an outward voyage, have almost the whole of the tonnage unoccupied?—Those ships which go direct to China; but the American ships, though they carry dollars, they occupy no room, and the ship makes a circuitous voyage by which she is navigated nearly two-thirds of the globe, carrying cargoes from port to port before she reaches China. I don't mention it as a general rule, but the American generally leaves his own country provided with dollars, and trades from port to port. I have found them in ports in India where an English merchant ship is hardly ever heard of.

5642. That was in former times, was it not?—It was before the free trade was open.

5643. Since the system of free trade, their trade has fallen off very much with India?—Yes; I conceive the free trade has been the ruin of the American trade altogether.

5644. They had ceased almost entirely to trade from port to port in India?—As far as my observation goes, it has been so much reduced that it could not fail to appear evidently; and I

17 June 1830.

Capt. W. Maxfield.

have little doubt that if the trade were open to China, it would ruin the American trade completely.

5645. State your reasons for entertaining that opinion?—The advantage of the American over the English trader is, that he can proceed unfettered to different ports. I believe the Americans, during the time I was in the Eastern Archipelago, were carrying away a good deal of the Dutch commerce. It struck me, that if the English free trader were permitted to make voyages from port to port in those seas, they would derive those advantages which were of course preserved to the Americans. My opinion is grounded on the competition that would be effected by the free-trader being let loose against the Americans, which would of course prove injurious to their commerce.

5646. Do you think the apprehension of losing these advantages, which they had almost singly possessed before, has induced the Americans to relinquish any part of the trade in which they were before engaged?—The trade from port to port. There are several reasons, but they must be quite matter of opinion. I have communicated with a great many Americans, from a desire to obtain information. While cruising in India myself, I contemplated writing a work on the subject of the East-India Company's general establishments in India; and in communicating with many Americans, I frequently took the opportunity of observing to them, that I perceived there was much fewer of their shipping in those seas than I had seen before. I was given to understand the cause of it was, the trade was less profitable from the competition induced by the English free trade. I should imagine it was not unlikely that much of the capital was English capital, which was employed, probably, in foreign bottoms. Until the trade was open with India, that might have deprived them of the means to a great extent. I believe, if reference be had to the failures that took place in America immediately after opening the free trade, it would be discovered something or other operated most violently indeed on American commerce. I think, soon after the free-trade was opened, failures took place in America to an extraordinary extent.

5647. You laid before the Committee of the House of Commons a statement of the ships chartered by the East-India Company in the year 1826: have you got that statement?—Yes, I have a copy. If it is not precisely a copy, it is a calculation founded so nearly upon it, as to be substantially the same. The first, as it appears, is a copy of the names of ships and the rates at which they are engaged; and here is a statement also of the probable saving by engaging the tonnage at the rate at which it might be had if a smaller class of ships were engaged.

[*The following papers are delivered in by the witness, and are read:*]

17 June 1830.

Capt. *W. Maxfield.*

A STATEMENT, exhibiting the NAMES, NUMBER, and TONNAGE of all Ships now chartered by the EAST-INDIA COMPANY, of every Description; the Rates of Tonnage, and Number of Voyages for which they are engaged; and also the Names of the Owners of such Ships, and the Time or Date when they were engaged.

SHIPS' NAMES.	Tonnage.	Rates of Tonnage. £. s. d.	Number of Voyages.	OWNERS.	Time or Date when engaged.
Herefordshire	1,200	21 18 9	6	John Locke	1811, Jan. 11.
Vansittart	1,200	20 18 9	6	Joseph Hare	July 10.
General Kyd	1,200	23 6 9	6	James Walker	—
Minerva	976	22 2 10	6	George Palmer	1812, Sept 2.
Thomas Coutts	1,334 A.	26 0 0	6	Stewart Marjoribanks	1816, March 29.
Duke of York	1,327 A.	26 10 0	6	Stewart Marjoribanks	—
Orwell	1,335 A.	26 19 6	6	Matthew Isacke	—
Dunira	1,325 A.	26 9 0	6	George Palmer	June 5.
Windsor	1,332 A.	26 5 0	6	George Clay	Dec. 24.
Kellie Castle	1,332 A.	26 4 0	6	Stewart Erskine	1817, March 18
Royal George	1,333 A.	25 13 0	6	John Fam Timins	1818, Oct. 14.
Repulse	1,334 A.	25 14 0	6	John Fam Timins	—
Farquharson	1,325 A.	25 15 0	6	John Christopher Lochner	—
Thames	1,330 A.	25 17 0	6	Henry Blanshard	—
Macqueen	1,333 A.	25 7 0	6	John Campbell	1819, Sept. 15.
William Fairlie	1,348 A.	25 7 0	6	Joseph Hare	—
Sir David Scott	1,342 A.	25 7 6	6	Joseph Hare	—
Berwickshire	1,332 A.	25 9 0	6	Stewart Marjoribanks	—

(continued.)

17 June 1830.

Capt. W. Maxfield.

No. 1. (*Continued.*)—A Statement exhibiting the Names, Number, and Tonnage of Ships, &c.

SHIPS' NAMES.	Tonnage.	Rates of Tonnage. £. s. d.	Number of Voyages.	OWNERS.	Time or Date when engaged.
Hythe	1,333 A.	25 9 0	6	Stewart Marjoribanks	1819, Sept. 15.
Duchess of Athol	1,330 A.	25 10 6	6	W. E. Ferrers	—
Bombay	1,242 A.	20 19 0	3	Henry Templer	1822, Nov. 13.
Charles Grant	1,246 A.	20 12 0	3	William Moffat	Nov. 12.
Lowther Castle	1,427 A.	20 12 6	3	John Crosthwait	Nov. 13.
Abercrombie Robinson	1,331 A.	21 0 0	6	Henry Bonham	1823, July 2.
Edinburgh	1,326 A.	21 0 0	6	Henry Bonham	—
Lord Lowther	1,332 A.	21 7 0	6	Henry Blanshard	—
Rose	955 A.	19 10 0	3	Thomas Milroy	—
Prince Regent	953 A.	19 17 6	3	Henry Bonham	—
Asia	958 A.	19 17 6	3	Henry Bonham	—
Marchioness of Ely	952 A.	19 19 0	3	Octavius Wigram	—
Marquis of Huntly	1,279 A.	18 18 0	3	John M'Taggart	Sept. 3.
Inglis	1,298 A.	18 5 0	3	Rich. Borradaile	1824, Aug. 13
Atlas	1,267 A.	18 5 0	3	Charles Otway Mayne	—
Bridgewater	1,276 A.	18 4 0	3	James Sims	—
Warren Hastings	1,276 A.	15 7 0	1	William Sims	—
Princess Charlotte of Wales	978 A.	19 2 0	3	Charles B. Gribble	Sept. 8.
Marquis of Wellington	961 A.	19 4 0	3	Henry Bonham	—

(*continued.*)

No. 1. (*Continued.*)—A Statement exhibiting the Names, Number, and Tonnage of Ships, &c.

SHIPS' NAMES.	Tonnage.	Rates of Tonnage. £. s. d.	Number of Voyages.	OWNERS.	Time or Date when engaged.
Warren Hastings	1,000 A.	18 5 0	.. 2 ..	John L. Minet	1824, Sept. 8.
Coldstream	733	12 5 0	.. 1 ..	John Dawson	1825, March 30.
Guildford	533	12 19 0	.. 1 ..	James Mangles	—
Albion	479	12 19 0	.. 1 ..	Charles Weller	—
Childe Harold	463	12 19 6	.. 1 ..	Robert Granger	—
Bussorah Merchant	510	4 10 0	.. .. ..	Charles Stewart	—
Malcolm	605	5 19 0	.. .. ..	R. W. Eyles	—
Lord Hungerford	708	7 0 0	These ships were	J. L. Heathorn	—
Berwick	453	7 0 0	engaged outwards for	James Greig	—
Commodore Hayes	678	7 18 0	the voyage to Bengal,	George F. Young	—
Broxbornebury	720	5 3 0	.. .. ..	Alfred Chapman	—
Java	1,175	6 2 6	.. .. ..	Joseph Hare	—
Cambridge	802	4 10 0	These ships were	George Palmer	—
Lady Kennaway	547	5 0 0	engaged for the voy-	George Joad	—
James Sibbald	666	6 9 0	age outwards to	Henry Blanshard	—
Maitland	634	6 17 6	Bombay,	Fraser, Living and Co.	—
Orient	596	14 7 0	For one voyage to	S. Marjoribanks and Co.	1825, May 4.
Roxburgh Castle	599	14 9 0	China and Quebec,	Wigram and Green	—
Countess of Harcourt	517	15 0 0	For one voyage to China and Halifax,	Henry Blanshard	—

(*continued.*)

17 June 1830.

Capt. W. Maxfield.

No. 1. (*Continued.*)—A Statement exhibiting the Names, Number, and Tonnage of Ships, &c.

SHIPS' NAMES.	Tonnage.	Rates of Tonnage.	Number of Voyages.	OWNERS.	Time or Date when engaged.
		£. s. d.			
Java	1,175	10 18 0	To bring cargoes from China, after performing the service for which they were engaged 30th March,	Joseph Hare	1825, May 25.
Broxbornebury	720	11 8 0		Alfred Chapman	—
Marquis Hastings	452	10 19 0	To bring cargoes from China,	George Lyall	—
Henry Porcher	500	10 19 0		S. Marjoribanks and Co.	—
In room of the Kent	1,300 A.	21 0 0	.. 6 ..	S. Marjoribanks and Co.	June 22.
Clyde	451	6 19 6	To carry cargoes to Bengal,	Joseph Hare	July 15.
Eliza	511	6 15 0		William Abercrombie	—
Marquis Camden	1,286 A.	18 18 0	.. 3 ..	Thomas Larkins	Aug. 17.
Lady Melville	1,257 A.	18 19 0	.. 3 ..	Octavius Wigram	—
Castle Huntley	1,311 A.	18 19 6	.. 3 ..	J. H. Gledstanes	—
General Harris	1,280 A.	18 19 0	.. 3 ..	James Sims	Aug. 24.

The ships marked thus (A.) are entitled to an extra freight of £1. 10*s*. per ton, if sent to the Island of Bombay, for to the Continent of India, and from either of those places to China.

East-India House,
January 17, 1826.

In January 1826, by papers laid before the Court of Proprietors, it appeared that the East-India Company had engaged for trade 47 ships; *viz.* 24 for six voyages, some of which were hired as high as £26. 10*s.* 0*d.* per ton: others for three voyages; and only five for one voyage. The average rate of freight for such five was only £13. 6*s.* per ton each.

Now the chartered ships above mentioned, 47 in number, collectively amount to about 55,601 tons, and the rate of freight above stated cost the Company per voyage, exclusive of demurrage...........	£1,187,778
The Company have also seven ships of their own, which collectively amount to 8,897 tons, and which, by reference to the papers and accounts submitted to the Court of Proprietors in 1826, average, taking them altogether, for the voyages they have performed, an expense per voyage on the seven, of or about £27. 8*s.* 8*d.* per ton	244,074
Making together the sum of	£1,431,852
The amount charged for 64,498 tons of shipping for one voyage.	
It is therefore evident that if the Company, instead of engaging ships as above, for six and three voyages, had hired ships for one voyage only, at £13. 6*s.* per ton, the amount of freight on 64,498 tons of shipping would have only amounted to	857,823
And a saving per voyage effected of	£574,029

There can be no doubt, however, that freight to almost any amount might be had to and from China at the rate of £10. 10*s.* per ton; and it is evident, if freight were engaged at such rate, a saving of no less than £754,623 per voyage might be effected in 64,498 tons of shipping.

Of the 24 ships taken up at the highest rate and engaged for six voyages, several are in the hands of one managing owner, some of whom have no less than five, consequently little comparative competition can be effected: while the ships engaged for one voyage at the lowest rate are generally the property and in the management of numerous individuals—hence the greater competition, and the more reasonable rate of freight at which they are obtained.

5648. When you say something operated, at the time of the free trade being opened, to occasion bankruptcies, do you speak of English capital embarked in the American trade, and which was withdrawn in consequence of the free trade being opened?—Not expressly that, though I think that is fair; it is a matter of conjecture. I can only attribute it to what operated in the same manner on the free-trader too. When it was first thrown open, I believe the competition was so great, that it led to serious distress among themselves; but it was not a little ag-

17 June 1830.

Capt. *W. Maxfield.*

mented by the mode in which the Company conducted the trade at that moment. I think if reference be had to the Company's trade at that time, when it was thrown open first, it will be seen they exported commodities they never sent to India before; that they were making their best efforts to intercept the free-trader, which were not a little augmented, in the manner I have suggested, by competition with each other, the free-traders, the Americans, and altogether. The Company sent out even claret, an article little adapted to the speculation of a body like the East-India Company.

5649. Had it been sent out before?—By officers and individuals; but there is a difference between carrying a perishable commodity in a man's own possession and a Company.

5650. Refer to page twenty-eight of those papers printed in 1829, and look at the account, No. 15, of the quantity of American trade cleared out from the different parts of British India from 1816 to 1826 and 1827, and state whether it does not appear that the American tonnage having amounted to 7,008 tons in 1815-16, amounted to 15,145 in 1816-17; to 18,083 in 1817-18; and to 23,944 in 1818-19. The effect which you say was produced on the American trade to India, by opening the trade, did not take place until five years after that trade had been opened?—I do not see those sums alluded to in this. I have spoken without reference to dates. It is possible my observation might have referred to the subsequent period, in which there is that great reduction. It is not probable that commerce would change its course in the course of a year or two; it is the natural consequence; it will take a little time before they will fall off. Bankruptcies would ensue, and it must find different channels to get into. The effect would not be simultaneous, certainly.

5651. It appears from this account, however, that the competition in the India trade did not effect the reduction of the American trade until the year 1828, but gradually increased in the first four years in the account?—It is possible the American trade might have increased at those periods, owing to our increased territorial possessions in India, which, of course, furnished more markets for American produce as well as English. While a great spur was given to commerce by the arrival of the free-trader, perhaps it operated, in many points which are difficult to explain, but which are easy to imagine.

5652. Did not the peace between this country and the United States take place in 1815?—I believe it did, about that period.

5653. If, in the year 1815, a commercial treaty was signed with the United States, which secured to them certain privileges in the Indian trade, would not that naturally have led them, for the first few years after the signature of this commer-

cial treaty, to go extensively into that trade so secured to them? —Undoubtedly. 17 June 1830.

Capt. W. Maxfield.

5654. May not, therefore, the increase of the years 1816, 1817, 1818, and 1819, be ascribed to that circumstance?—I should think it might, in a very great degree. I was not aware of the alteration in the treaty.

5655. From what materials have you drawn up this statement you have given in, of the names and numbers of ships chartered in the year 1826?—The paper exhibiting the names, number, and tonnage of the ships chartered in 1826, was a document furnished to me, as a proprietor of the East-India stock, by the East-India Company at the India-House.

5656. That is official?—It is.

5657. What is the average voyage of one of the East-India Company's ships from London to China and back, supposing a direct voyage?—It is a difficult question to answer well. A free-trader, I conceive, might make the voyage out and home in twelve months, and an East-India ship ought to be able to do every thing which a free-trader can; but as they send them circuitously, and often let them lay here at different parts of England, I have no hesitation in saying, that if I turned trader, and understood it, I would find the means of carrying out a cargo, if I were permitted, to China, if the Company carried on their trade in the mode they do now, before they get to Bombay, I would be at China, from the delay in their mode of transacting business. I can best illustrate it by saying that a captain of an East-Indiaman told me he gave up commanding one of their ships, because he could trade more conveniently by the free-trader, and pay for freight; "for," said he, "before I get my investment out, I am anticipated at Sincapore by the free-trader; they have supplied the market; and in the Company's ship I lose my chance, from the delay occasioned by going to this place and the other."

5658. Does that apply to the Company's ships bound direct from hence to China?—The direct ships that go from hence to China touch either at St. Helena or Madras; I don't believe any go direct from England without touching at some port; I imagine they touch somewhere.

5659. You don't know what length of time it does take to effect a voyage in one of the Company's ships from England to China and back, without touching?—No, I can't precisely answer the question.

5660. Do you consider the delays you allude to are inherent in the system in which the Company carry on trade to China, or are they delays that must be obviated by the Company itself?—They determine that their ships shall be at such an anchorage at such a time, and proceed very mechanically to work with

17 June 1830.

Capt. W. Maxfield.

them. They are to be in the Downs at such a period, and to sail by those periods; but the consequence must be apparent, when I advert to what happened during the Burmese war. To the best of my recollection, stores were required to be taken to India, and were about to be sent out by some of the ships then sailing. It occurred to me that those stores required the utmost expedition possible. The recollection occurred, how insufficient those ships were for such purpose, sailing at stated periods, while there were plenty of free-traders ready to sail, who could take them on board at an hour's notice; and if military stores were imperiously wanted, I put it to any one whether it would not have been not only more economical, but more advantageous, to have sent them at once than by this tardy process.

5661. Does part of the delay arise from the size of the ships they engage?—A great part of the delay in lading a ship in a river must depend on the size; that is, in Calcutta a large ship would only advance as far as Saugor, while a ship of small size would proceed to discharge her cargo at Calcutta, and take in a fresh one. It is evident the communication by boats must create considerable delay.

5662. Do you conceive that if the private trader were permitted to trade to the port of Canton, he would find it his interest to proceed directly to Canton, without touching at any place, as the Company's ships do?—It would not be to the interest of an individual to make the voyage direct. A man who sets out in a speculative voyage, would do as the Americans do, go from this port to the other, until he can get a cargo to suit, and perhaps they change cargo two or three times; that would perhaps be the most beneficial voyage to him as a merchant, but it would also be a desirable voyage, as far as the state is concerned, in exciting enterprize and making good sailors.

5663. Did you ever know any Indiaman armed with as heavy guns as you have spoken of, eighteen pounders?—I have seen some with twelve and eighteen-pounders, a few eighteen.

5664. You have stated one Indiaman was taken by a privateer having eighteen guns?—Sixteen or eighteen.

5665. Do you think an Indiaman manned and armed as they are could make an effectual defence against any man-of-war of the smallest size?—If it blew hard, an Indiaman of 1300 tons might run a small man-of-war down.

5666. But if there were a fair fight between the two?—It is a difficult question to answer with accuracy. I imagine a ship or privateer of twenty guns would seek to engage one Indiaman.

5667. And when well managed and when well fought, ought to take her?—I think she would take her.

5668. In time of war do the Company's ships sail with convoy or not?—With convoy wherever convoy can be had.

17 June 1830.

Capt. W. Maxfield.

5669. If an adequate convoy were supplied to them, this expensive armament would not be necessary?—Undoubtedly not.

5670. Do they ever venture to run alone in time of war?—Yes, frequently; but, perhaps, to meet the question in the broadest shape, it would be worth while to refer to what would be the insurance at Lloyd's on ships sailing; I am not aware what it would be, but the Committee would see the comparative profit or loss in a commercial point of view, by what the underwriters would insure a Company's ship, or any other, in time of war. I don't imagine it would make a great difference.

5671. Do they sail better than ordinary merchantmen?—Why most of the Company's large ships are certainly good sailers, very fine ships, and they ought to be very fine ships, for they are very expensive ones; but there may be found among merchants many good sailing ships, and some bad ones. I have seen some of the Indiamen sail as bad and as well.

5672. Is the building of a Chinaman like the building of a man-of-war, or principally adapted for carrying a cargo?—By no means. In the building of a man-of-war, she is expressly adapted for guns and war; they have guns and port-holes also, but her bottom is widely different in the shape as well as the general construction. The Indiaman is not particularly well adapted for war; they are all able to have guns aboard, but they are not adapted for fast sailing.

5673. She would not be able to run away from a man-of-war?—Unless the man of-war was a bad sailer; a man-of-war ought to catch her upon a wind, or free, or any way.

5674. Is there any disadvantage in having those large ships so occupied in time of peace?—I can't conceive any.

5675. If it is advisable to have that class of ships in time of war, are they retained for use in time of peace merely because they have been employed before? - I conclude that is the principal cause; and also, if you refer to their being taken up six voyages, you can't get rid of them till they have run six voyagesout; and next, it would appear hard to induce a man to build a ship inapplicable to other commerce, unless you continue to employ her till she is worn out. Generally there is a desire to build such a ship of that class, knowing they are paid a high degree of freight for them, the owners secure, under certain circumstances, permission to build again on the keel; or, if the ship is lost, there is a clause in the Act enabling them to build another to run the remainder of the period.

5676. So the practice of having vessels of that size and of that construction in time of war, necessarily involves a corresponding expense in time of peace, that otherwise would be useless?—Clearly so.

17 June 1830.

Capt. W. Maxfield.

5677. That is only until the expiration of the existing contract; at the end of six years all the ships must have run out?—No, not at the end of six years—six voyages.

5678. Have the Company made no new contracts with ships of that large tonnage in time of peace?—Yes, constantly, and they are doing it to this hour, I suppose.

5679. With what view?—Mostly, probably, to the continuance of their commerce.

5680. As these large ships are useless in time of peace, and as it appears by your evidence smaller ships would be more convenient, to what do you attribute the East-India Company having persevered in the time of peace, when they are not compelled to do so, contracting for the construction of these very large ships?—I can't understand, unless it is a predilection they have for large ships, with the particulars of which I am unacquainted. They have a common partiality for that class of ships; and they have in effect shewn, not only partiality for it, but conferred advantages on owners and officers of those ships, which are inconceiveable. I shall illustrate that by saying, that the East-India Company, by their regulations, give the owners of these ships the power of conferring military rank on the commanders, and they give the commanders of these regular ships a precedence with captains of marines, by which they give them a rank equal with that of lieutenant-colonels in the army. If the owner of a ship is building a ship for the Company, and letting it, he has the means of conferring military rank on the person commanding, whatever his age or standing is, if he is eligible to command, which he is after having served so many voyages.

5681. Military rank in India?—Yes; perhaps I may explain that last piece of evidence; I mean precedence. I don't know whether I ought to apply "rank" to it; I mean precedence.

5682. What sized ships, on the whole, do you think it would be most advantageous to carry on the commerce with?—I think 500 or 600 tons would be sufficient to carry on the commerce with the whole globe.

5683. Is that the size used generally by the free-traders?—Yes. As a reason for stating a ship of 500 or 600 tons is sufficiently large, and best adapted to carry on trade with any part of the world, I should mention she is a block of infinitely less value than a larger one; consequently, a man of small capital can fit out such a ship, while the possession of the large ship would be confined to fewer. At the same time, it would be easier to load a small ship at all times than a large one. A cargo might be had for a small vessel when a full quantity could not for a large ship.

5684. You think there is no particular reason attached to the

trade in tea at China, which renders it more desirable to have ships of a larger size?—I am not aware of any, except the advantage derived from the port dues at Canton; if it were a very considerable advantage, the Americans would have followed the example, and have taken larger ones.

17 June 1830.

Capt. W. Maxfield.

5685. There is no greater danger of breakage of chests of tea in a small vessel than a large one?—I imagine not, if the ship is good, and properly taken care of.

5686. Do you know the average size of vessels that trade to Canton?—I only speak from fact; I have not been at Canton. I suppose an American ship is generally of a smaller class—from 400 to 600 or 700 tons. It is a large ship for an American, 600 or 700 tons.

5687. How do the Americans conduct their voyage with the ports between America and China that they visit?—That would be a difficult thing to say; they are in the habit of making the most circuitous voyages of any traders in the world occasionally.

5688. Do you not conceive that the system which is now pursued by the East-India Company, both in their mode of building and the fitting out of their ships, as forming a valuable part of their power and patronage?—Undoubtedly.

5689. How is that, if they take ships by tender only?—The ships built for the East-India Company themselves, called the Company's own ships, constitute employment for a certain number of captains and officers, the employments for whom are in the gift of the Court of Directors; and that becomes direct and positive patronage.

5690. How many of these ships are there?—Seven, I think; there were seven when that return was made.

5691. As regards the others, which form the greater number, is there any patronage exercised in the hiring of them?—There is one piece of patronage, the value of which I cannot pretend to state, which is the gift of the voyage. The Directors individually have the nomination to certain voyages. I speak from hearsay. The gift of a China voyage is always considered a very good thing. Many years ago it was a very large advantage.

5692. To whom is it a good thing?—To the captain; the gift of the voyage to the captain. The nomination of the voyage to the ship is the patronage I advert do.

5693. There is no patronage to the person who furnishes the ship?—The person who furnishes the ship has the patronage of appointing the commander to the ship, *ab origine;* the voyage afterwards is the patronage of the Court of Directors; that is, the nomination to the voyage. The person is originally appointed by the owner, with the concurrence of the Company; probably the captain is a part-owner of the ship in many cases.

17 June 1830. — Capt. W. Maxfield.

The patronage I alluded to of the Court was the nomination to the voyages—the destination of the ship.

5694. After it is taken up for a certain number of voyages?—The different number of voyages.

5695. When they do take up ships, don't they state for what purpose they are to be employed?—I apprehend the charter-parties are pretty general, and not to particular voyages. I suppose, by the form of the charter-party, they can employ it in any port they chuse.

5696. When a ship is taken up at a certain rate of freight for six voyages, what is the condition which the person who lets that ship to the Company, takes upon himself; is he obliged, at so much a year, or at so much for the outward and homeward voyage, to furnish that ship?—I believe it is at so much per ton per voyage. This is a fact well known; though I can't speak from more than a general knowledge of the fact, never having had a ship of my own. They take up ships, I believe, at so many pounds per ton per voyage; being entitled to the demurrage under particular circumstances; that is, such as the present detention at China. I suppose the owner is deriving demurrage for the whole period his ship is detained.

5697. The East-India Company having taken up the ships at eighteen guineas a ton, does it entirely rest with the Company whether they shall go to India and then home, or go to China direct, or make a circuitous voyage to China; does the rate of freight remain the same whatever the voyage is?—No; for as the ships are taken up, almost all are numbered. In that list there are stars placed against the ships which are entitled to £1. 10*s*. more if they are sent to ports in India. At the conclusion of the list it specifies that.

5698. So that it is an advantage to the owner of a ship that it shall be sent to China rather than to India?—I don't know that the owner has any particular advantage in it; I don't know that it is of importance to him where it is sent to.

5699. The advantage is to the captain?—The advantage of the voyage must be to the captain important.

5700. From your knowledge of the Bombay marine, are you of opinion that it is absolutely necessary that the service should be performed by a marine at the disposal of the local governments, or might it not be performed by ships in the King's service?—Undoubtedly his Majesty's ships are equal to perform any duty the British Government can impose on them; whether it would be conducive to the convenience of the government in India that they should be left to perform their duty as they thought proper, or as the government wished, I leave the Committee to determine.

5701. What, in your opinion, are the peculiar advantages in having a marine at the entire disposal of the local governments,

if the Bombay marine is now sufficient?—Government is constantly in want of vessels of war; and unless some are at their disposal, they must be very often reduced to considerable difficulty. I think it will illustrate the fact by shewing that in the year 1813, when a dispute was likely to take place with the Emperor of Ava, the government sent a twenty-gun ship from Calcutta at their disposal, and possibly averted a war which must have resulted had they had no vessel of force to have overawed the Burmese.

5702. Could not all the service performed by the Bombay marine be performed by the King's ships in India, as similar services are performed in the King's colonies and elsewhere?—Undoubtedly, if they are placed sufficiently under the authority of government, or at the disposal of government; if government possesses sufficient authority to send them where they think needful.

5703. Can you form an estimate of the comparative cost of a King's ship and a Company's ship of the Bombay marine?—No, I have no means of forming a correct estimate; and to take the expense of a Bombay marine from the amount carried to the debit of the marine under the common head of marine charges of India, would be an erroneous mode of estimating the actual expense of particular ships; for I believe, under the head of marine charges are lumped a great many other charges, hich might make it appear a very small force was retained at a enormous expense. I individually believe, from my knowledge of the mode of outfit, that they are generally conducted very economically.

5704. More so than the King's ships?—I can't speak to the fact. I have no actual experience of the expense of one of his Majesty's ships; I have no hesitation in saying they are usually comparatively much cheaper than the Company's merchant ships. Of course a ship with a great number of men must be, in point of comparison as to size, more expensive. But looking at one as a man-of-war, and at another as a merchantman, they are infinitely cheaper.

5705. What proportion of the crews consisted of natives of the East at the time you were acquainted with the marine?—It has been in different ships in different numbers. I have commanded a twenty-gun ship belonging to the Company, in which we had not about twenty natives, all the rest were Europeans. Much depends on the exertions of the commander himself, who would endeavour to procure a crew; for the government furnished you with no means, neither furnished you with men, nor were there men provided from this country for manning the marine. It more particularly depends on the exertions of the commander to pick up a crew; they were generally a motley set of Europeans and natives, and such as they could collect.

5706. Were did he find them?—You send to crimps in public

17 June 1830.

Capt. W. Mayfield.

houses at periods; and when it was inquired if any men were to be had, I gave the crimp an allowance; he is usually called the crimp; he brought you men where he could.

5707. Of what description; did you get the worst description of men out of vessels of all nations?—Not the worst; but, speaking of them as a crew of a man-of-war, an inferior crew. Not the worst of all nations; occasionally there are very good men. I have commanded a ship out of Bengal remarkably well manned; but it proceeded from the circumstance of a great many English seamen being to be found in Bengal unemployed. I had little difficulty there, but it was great at Bombay.

5708. Have not the Company sent out seamen from this country?—Not in my recollection seamen; they have sent out marine boys, perhaps lads from the Marine Society. I don't recollect during my time their sending out men.

5709. In any number?—Yes; at one time they sent out a few hundreds of them, but afterwards they desisted; in fact, there was no system adopted for manning the marine, during the whole time I was in it, by either of the governments; at least, it was under the efforts of the commander himself.

5710. Were the native sailors all Malabars?—No.

5711. What was your whole complement of your ship of twenty guns?—The Malabar had about 140 men on board.

5712. What was the extent of the Bombay marine, and what was its force, when you were in command?—At different times, I was in it twenty-five years, sometimes more and sometimes less. Latterly it has been so small as to be insignificant.

5713. In war time?—We had at one period a fifty-gun frigate, another of thirty-two guns, and a twenty-gun ship, and some smaller vessels; but during the last few years of my service they had no frigate at all. It was most insignificant as a naval service, from the inefficiency and neglect that was shown; it was neither provided with a code of laws, nor with men.

5714. That twenty-gun ship was your own?—Belonging to the government; I commanded her.

5715. Had you an opportunity to try your men in action?—Yes; not in that ship; I was in the expedition to Java, but they did not come into action. I have on other occasions been in action; the crews have generally behaved remarkably well; but the composition of the men, speaking of them as men of war, is very inferior.

5716. And you had the means of enforcing discipline, but it was not very good?—Much would depend on your own judicious management. Your are furnished with no legitimate authority There was a system of discipline preserved with much pain and difficulty, and in many cases it answered tolerably well; but it more particularly hinged on the management of the commander himself.

17 June 1830

Capt. Maxfield.

5717. It is a service in which promotion is extremely slow?—Very.

5718. It offers very few inducements for a gentleman to enter it?—Very few indeed.

5719. The Arabs are very efficient seamen, are they not?—They are very muscular, strong, hardy men; but I can't say that they could bear any comparison with an English sailor; they are some of them remarkably muscular and strong, equal with the European; but that is not the composition of the native crews; they are natives of India, Mahomedans.

5720. Which are the best seamen of that country?—The Gogorees, from a small place in the Gulph of Cambay; they are the best native sailors.

5721. Are they good seamen between the coast of Malabar and the Red Sea in Arabia?—They have large ships. Speaking of Arabs, we should say, at all times they were very lubberly; they are brave and hardy, and would fight very well, but without organization; that sort of fighting which would result from bravery without discipline. I should not call them good seamen.

5722. What number of native seamen could you venture to put on board a man-of-war, without diminishing her efficiency as a fighting vessel?—I would not wish to have more than would man a couple of boats; they are less likely to drink, and give you trouble by getting drunk on shore, than the English. I contrived to have a couple of boats' crew; and, having so few, I contrive to get very good men. I should be sorry to command a cruizier with a large proportion of natives on board. If opposed to an European enemy, I would prefer my own countrymen.

5723. Is not the heat so extreme in the Gulph of Persia as to make it necessary to have the natives to perform the ordinary duties on deck?—I can't conceive it imperatively necessary to have the natives to perform the ordinary duties on deck. Our soldiers have their duty to perform in India: it is more irksome to perform the duty of a common soldier on shore than it is for a sailor.

5724. Have you ever turned your attention to any improvements it would be possible to introduce into the Bombay Marine?—Yes; I submitted to the Court of Directors, when I first returned from India, some plan for improving the corps; but I ceased to turn my attention to it. Finding such a variety of difficulties to be got over, which I saw no prospect of surmounting, I gave it up.

5725. Can you state the outline of that plan?—I think I have a copy of some part of the plan, which I can submit; it is not with me at present.

5726. Though you have not been in China you have had an

17 June 1830.

Capt. W. Maxfield.

opportunity of seeing a good deal of the Chinese in the Eastern Islands?—Yes; and I have met with them there when I was at the Eastern Archipelago.

5727. Do you find them generally superior to the inhabitants of the East, in habits of commercial enterprize and activity?—Taking them as artificers, they are undoubtedly very superior, and their merchants are not inferior in ability; there will be found, among many of the natives of India, men gifted both as merchants, and in every way quite to be compared with the merchants of every other country. The Chinese are distinguished as merchants as well as artificers.

5728. Were you ever in the Red Sea?—Yes, three times.

5729. Would there be any difficulty in navigating steam-boats?—Not any.

5730. Do you find a difficulty in navigating it in a sailing vessel?—No, not any.

5731. All the dangers were laid down, and above water?—The principal difficulty that occurred was, the want of accurate charts, which is now compensated in some measure. I was in the Red Sea on a survey myself; many ships were lost in the expedition, but it was owing to the sea abounding with shoals, and having no good chart to guide them.

5732. They are very well laid down at present?—I can't say the Red Sea is as far as my knowledge went, for we were on a survey for a short time, unless some accurate survey has taken place since; it abounds with shoals; but the direct navigation for ships is clear and extensive enough; so that a ship with a good chronometer has plenty of room. Indeed a man must be an inferior navigator who could not contrive to get up and down under ordinary circumstances safely.

5733. The gales are not very severe in other parts of the Red Sea?—They blow hard for a short time, but they seldom last long; they blow hard for a short period.

5734. What prevented you completing your survey?—I accompanied Lord Valentia in 1813, and commanded a small vessel. He was in a larger one. The vessel I commanded was found to be excessively rotten—not seaworthy. It was condemned at Mocha, and I returned to Bombay; he went on, and landed at Suez. It was a cursory survey. The Court of Directors appointed me to survey the Red Sea; but Government never had their orders carried into execution.

5735. They were sent to Bombay?—They were sent, through the government at Bengal, to Bombay, but never were acted upon.

The witness is directed to withdraw.

Ordered, That this Committee be adjourned till to-morrow, one o'clock.